

**AGENDA
ROSELLE-GOLF-HIGGINS TIF
ANNUAL MEETING
JOINT REVIEW BOARD
JULY 20, 2022
1900 HASSELL ROAD
Hoffman Estates, IL**

9:55 a.m. – Hennessy Room

- I. Call to Order**
- II. Approval of Minutes – July 14, 2021**
- III. Review of Year 2021 Audit & Compliance Report**
- IV. Question and Answers**
- V. Adjournment**

Minutes
Roselle-Golf-Higgins TIF
Annual Meeting
Joint Review Board
July 14, 2021

Board Members Present: Eric Palm, Village of Hoffman Estates, Chairman
Bev Romanoff, Resident Member
Suzanne McVey, Schaumburg Township
Lynne Cotshott, Hoffman Estates Park District
Bob Grapenthien, Harper College
Helen Reynolds, School District 54
Lauren Hummel, Palatine-Schaumburg HS District 211
Anne Miskewitch, Schaumburg Township District Library
Elizabeth Valenziano, Schaumburg Township Dist. Library

Guests Present: Rachel Musiala, Director of Finance
Arthur Janura, Corporation Counsel
Patti Cross, Asst. Corporation Counsel
Kevin Kramer, Director of Economic Development
Laurel Warren, Fiscal Operations Manager
Ashley Hines, Development Services Intern

I. Call to Order

Village Manager Eric Palm called the meeting to order at 1:08 p.m. Notices were sent via email to all members of the Joint Review Board in which they also received a copy of the Annual Report. No questions were received from the members. A distribution list and annual report will be attached to the minutes. Village Manager Palm gave a brief introduction. No questions were asked.

II. Election of Chairperson

Bev Romanoff made a motion to elect Eric Palm as Chairperson. Lynne Cotshott seconded the motion. A voice vote was taken. All ayes. Motion carried.

III. Approval of Minutes – July 20, 2020

A motion to approve the minutes was made by Bev Romanoff and seconded by Suzanne McVey. A voice vote was taken. All ayes. Motion carried.

IV. Review of Year 2020 Audit & Compliance Report

Rachel Musiala, Director of Finance for the Village of Hoffman Estates, gave a brief overview of the financial activity on page five of the auditor's report prepared by BKD. Kevin Kramer presented an overview of two major projects. 75-85 E. Golf has been torn down and a Popeye's has been approved by the Village. IDOT is finalizing plans. Since flooding in this area is a problem, a redevelopment agreement has been entered into with W-T Engineering to repair culvert and replace storm sewer pipe on the north side of Higgins. This will make sites more developable. Kevin also pointed

DRAFT #1

out the two-tenant outlot in front of Burlington is slated for a Dairy Queen and Banfield Pet Hospital. The Shell site has nothing yet due to challenges with access and soil.

V. Question and Answers

Bob Grapenthien asked if there was any debt associated with this TIF. Rachel Musiala responded that there was no debt associated with this TIF.

VI. Adjournment

Motion to adjourn was made by Bev Romanoff and seconded by Lauren Hummel. A voice vote was taken. All ayes. Motion carried. Chairman Palm adjourned the meeting at 1:14 p.m.



HOFFMAN ESTATES

GROWING TO GREATNESS

June 27, 2022

TO: ALL TAXING DISTRICTS ON ATTACHED LIST

FROM: RACHEL MUSIALA, DIRECTOR OF FINANCE

SUBJECT: GOLF, HIGGINS AND ROSELLE ROAD TIF DISTRICT ANNUAL REPORT

In accordance with 65 ILCS 5/11-74.4-5-(d), the Village of Hoffman Estates is transmitting to all affected taxing districts the 2021 Annual Report of the Golf, Higgins and Roselle Road Tax Increment Financing District. This TIF was created in May, 2003 and will expire in May, 2026.

Any questions regarding this report can be directed to my attention.

Rachel Musiala
Director of Finance

VILLAGE OF HOFFMAN ESTATES, ILLINOIS
GOLF, HIGGINS AND ROSELLE ROAD TIF DISTRICT
ANNUAL REPORT

DISTRIBUTION LIST

COOK COUNTY CLERK'S OFFICE

118 North Clark Street
Chicago, IL 60602
clerk.yarbrough@cookcountyil.gov

NORTHWEST MOSQUITO ABATEMENT DISTRICT

147 West Hintz Road
Wheeling, IL 60090
James Thennisch, Director
jthennisch@nwmadil.com
Eva Migacz, Office Manager
office@nwmadil.com

METROPOLITAN WATER RECLAMATION DISTRICT

100 East Erie Street
Chicago, IL 60611
Shellie Riedle, Budget Officer
riedles@mwrdr.org

PALATINE-SCHAUMBURG HIGH SCHOOL DISTRICT #211

1750 S. Roselle Road
Palatine, IL 60067
Lisa Small, Superintendent
lsmall@d211.org
Lauren Hummel, Chief Operating Officer
lhummel@d211.org

HARPER COLLEGE DISTRICT #512

1200 W. Algonquin Road
Palatine, IL 60067
Rob Galick, Exec. V.P. of Finance/Adm Svcs.
rgalick@harpercollege.edu
Dulse Barraza, Exec. Asst. Finance & Admin Svcs.
dbarraza@harpercollege.edu
Robert Grapenthien, Controller
rgrapent@harpercollege.edu

SCHAUMBURG TOWNSHIP

One Illinois Blvd
Hoffman Estates, IL 60169
Melissa Williams, Administrator
mwilliams@schaumburgtownship.org
Timothy M. Heneghan, Supervisor
theneghan@schaumburgtownship.org

FOREST PRESERVE DISTRICT OF COOK COUNTY

536 N. Harlem Avenue
River Forest, IL 60305
Arnold Randall, General Superintendent
arnold.randall@cookcountyil.gov

HOFFMAN ESTATES PARK DISTRICT

1685 West Higgins Road
Hoffman Estates, IL 60169
Nicole Hopkins, Director of Finance
nhopkins@heparks.org
Craig Talsma, Executive Director
ctalsma@heparks.org

SCHAUMBURG TOWNSHIP DISTRICT LIBRARY

130 South Roselle Road
Schaumburg, IL 60193
Annie Miskewitch, Executive Director
amiskewitch@stdl.org
Elizabeth Valenziano, Finance Director
evalenziano@stdl.org

COMMUNITY SCHOOL DISTRICT #54

524 E. Schaumburg Rd
Schaumburg, IL 60194
Ric King, Asst. Superintendent of Business Operations
RicKing@sd54.org
Andrew DuRoss, Superintendent
andyduross@sd54.org

VILLAGE OF HOFFMAN ESTATES, ILLINOIS
GOLF, HIGGINS AND ROSELLE ROAD TIF DISTRICT
ANNUAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2021
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VILLAGE OF HOFFMAN ESTATES, ILLINOIS
GOLF, HIGGINS AND ROSELLE ROAD TIF DISTRICT
ANNUAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2021
REDEVELOPMENT PLAN AMENDMENTS

During the year ending December 31, 2021, there were no amendments made to the Redevelopment Plan and Project.

VILLAGE OF HOFFMAN ESTATES, ILLINOIS
GOLF, HIGGINS AND ROSELLE ROAD TIF DISTRICT
ANNUAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2021

CERTIFICATE OF COMPLIANCE

I, William D. McLeod, duly elected Village President of the Village of Hoffman Estates, State of Illinois, do hereby certify that the Village of Hoffman Estates has complied with all requirements pertaining to the Tax Increment Redevelopment Allocation Act during the fiscal year January 1, 2021 through December 31, 2021.

6-20-2022
Date

William D. McLeod
William D. McLeod
Village President

VILLAGE OF HOFFMAN ESTATES, ILLINOIS
GOLF, HIGGINS AND ROSELLE ROAD TIF DISTRICT
ANNUAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2021
CERTIFICATE OF COMPLIANCE

[See Attachment]

THE LAW OFFICE OF
ARTHUR JANURA, PC

2123 MULGUY COURT | INVERNESS, IL 60010
O: 224.655.7615 C: 224.210.4593 | JANURALAW@GMAIL.COM

March 22, 2022

The Honorable Susana A. Mendoza
Illinois Comptroller
James R. Thompson Center
100 West Randolph Street, Suite 15-1500
Chicago, IL 60601-3252

**Re: Village of Hoffman Estates
Golf, Higgins and Roselle TIF District
2021 Compliance**

Dear Comptroller Mendoza:

Subject to the qualifications and limitation herein, we are of the opinion that, for the period of January 1, 2021 to December 31, 2021, we are not aware of any material violation by the Village of any of the applicable requirements of the Illinois Tax Increment Redevelopment Allocation Act (the "Act") except for the annual meeting of the Joint Review Board.

Whenever we indicate that our opinion with respect to the existence or absence of facts is based on our knowledge, our opinion is based solely on the current actual knowledge of Arthur L. Janura. We have made no independent investigation as to such factual matters. We have not undertaken to identify or review any facts which could constitute any potential non-compliance by the Village under the Act.

This opinion is given as of the date hereof and we undertake no obligation to advise you or anyone else of any subsequent changes in any matter stated herein, changes in any law related thereto or changes in facts or any other matters that hereafter may occur or be brought to our attention. The opinion expressed herein is specifically limited to the laws of the State of Illinois and the Federal laws of the United States and no opinion express or implied, is rendered as to the effect that the law of any other jurisdiction might have upon the subject matter of the opinion expressed herein.

This opinion is rendered solely to the addressee hereof and is not to be quoted in whole or in part or otherwise referred to nor is it to be filed with any governmental agency or any other person nor is it intended to be relied upon, nor may it be relied upon, by any entity or individual other than such addressee without the prior written consent of this firm. No opinion may be inferred or implied beyond the matters expressly contained herein.

Very truly yours,

Arthur Janura P.C.

Arthur Janura P.C.

AJ/ds

VILLAGE OF HOFFMAN ESTATES, ILLINOIS
GOLF, HIGGINS AND ROSELLE ROAD TIF DISTRICT

ANNUAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2021

STATEMENT OF RECEIPTS, DISBURSEMENTS
AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2021

Receipts		
Property Tax		\$ 787,056
Interest Earnings		252
Sub-total		<u>787,308</u>
Disbursements		
Legal Services		\$ 1,073
Other Contractual Services		5,689
Sub-total		<u>6,762</u>
Excess (Deficit) of Receipts over Disbursements		<u>\$ 780,546</u>
Balance, January 1, 2021		<u>\$ 1,647,962</u>
Balance, December 31, 2021		<u>\$ 2,428,508</u>
Ending Balance By Source:		
Property Taxes		<u>\$ 2,428,508</u>
Ending Balance, December 31, 2021		<u>\$ 2,428,508</u>

VILLAGE OF HOFFMAN ESTATES, ILLINOIS
GOLF, HIGGINS AND ROSELLE ROAD TIF DISTRICT
ANNUAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2021

STATEMENT OF FUND BALANCE BY SOURCE AND YEAR

SOURCE YEAR

<u>2021</u>	Property Taxes	\$ 787,056
<u>2020</u>	Property Taxes	586,534
<u>2019</u>	Property Taxes	349,785
<u>2018</u>	Property Taxes	455,640
<u>2017</u>	Property Taxes	146,573
<u>2016</u>	Property Taxes	102,920
Total Fund Balance, December 31, 2021		<u><u>\$ 2,428,508</u></u>

VILLAGE OF HOFFMAN ESTATES, ILLINOIS
GOLF, HIGGINS AND ROSELLE ROAD TIF DISTRICT
ANNUAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2021

STATEMENT OF EQUALIZED ASSESSED VALUE (EAV)
AND INCREMENTAL TAX REVENUES

Initial EAV of the Redevelopment Project Area	\$ 23,150,789
2020 EAV of the Redevelopment Project Area	\$ 30,308,823
Incremental Revenues Received During 2021	\$ 787,056
Incremental Revenues Received in Previous Year	\$ 586,534
Increase (Decrease) in Incremental Revenues	\$ 200,522
Breakdown of Change by Taxing District:	
Cook County	\$ 8,948.49
Consolidated Elections	-
Cook County Forest Preserve	1,145.78
Schaumburg Township	1,935.84
General Assistance - Schaumburg	296.37
Road & Bridge - Schaumburg	612.39
Village of Hoffman Estates	28,070.47
School District #54	70,620.06
Palatine Township High School District #211	55,054.12
Harper College District #512	8,079.43
Hoffman Estates Park District	11,793.10
Schaumburg Township Library District	6,301.40
Metropolitan Water Reclamation District	7,467.04
Northwest Mosquito Abatement District	197.51
TOTAL	<u>\$ 200,522.00</u>

VILLAGE OF HOFFMAN ESTATES, ILLINOIS
GOLF, HIGGINS AND ROSELLE ROAD TIF DISTRICT
ANNUAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2021

STATEMENT OF PROPERTY PURCHASED

During the year ended December 31, 2021, the Village of Hoffman Estates did not purchase any property within the redevelopment project area.

VILLAGE OF HOFFMAN ESTATES, ILLINOIS
GOLF, HIGGINS AND ROSELLE ROAD TIF DISTRICT
ANNUAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2021

REDEVELOPMENT ACTIVITIES

In 2021, Village of Hoffman Estates staff has worked to improve the Golf Center, Hoffman Plaza Shopping Centers and subsequent outlots in the Roselle Road TIF. Economic activities in 2021 included the promotion of the district in various video productions, on social media, and in other advertising outlets including a return to tradeshow. Various networking and business development events throughout the year were attended by the Economic Development Director and Village Manager, both in-person and virtually.

By the end of 2021, Golf Center was nearly fully leased, as Robin Realty, the center owner, worked to retain and attract tenants.

Sterling Organization, the owner of Hoffman Plaza, worked to redevelop the center by completing construction and buildout of an outlot on the south side of the center with a drive-thru for Dairy Queen and Rapid Immediate Care. Sterling also began and finished construction on the shell for Banfield Pet Hospital who is expected to finish their interior buildout in 2022.

The Village continued to work with the owner and developer of 80 West Higgins Road to tear down the former Hoffman Lanes Bowling Alley building and improve the stormwater system along Roselle Road. The building was demolished in 2021 and subsequent stormwater work is expected to be completed in 2022.

Lastly, the Village worked with the owner and operator of Popeye's Louisiana Kitchen to get final plan approval and sell the property. The sale is expected to occur in early 2022 with construction to begin later that year.

VILLAGE OF HOFFMAN ESTATES, ILLINOIS
GOLF, HIGGINS AND ROSELLE ROAD TIF DISTRICT
ANNUAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2021

STATEMENT OF INDEBTEDNESS

The Village of Hoffman Estates did not issue any obligations in which principal and interest would be payable from the Golf, Higgins and Roselle Road TIF District during the year ended December 31, 2021.

6/21/2022
Date

Bev Romanoff
Bev Romanoff
Village Clerk

Village of Hoffman Estates, Illinois

Roselle Road TIF District Fund

Independent Auditor's Report on Compliance With Public Act 85-1142
and Independent Auditor's Report and Financial Statements

December 31, 2021

Village of Hoffman Estates, Illinois
Roselle Road TIF District Fund
December 31, 2021

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Independent Auditor's Report



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Independent Auditor's Report

The Honorable Village President
Members of the Board of Trustees
Village of Hoffman Estates, Illinois

Opinion

We have audited the financial statements of the Roselle Road TIF District Fund (the Fund), a special revenue fund of the Village of Hoffman Estates, Illinois, as of and for the year ended December 31, 2021, and the related notes to the financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Roselle Road TIF District Fund, a special revenue fund of the Village of Hoffman Estates, Illinois, as of December 31, 2021, and the changes in its financial position 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 Roselle Road TIF District Fund and do not purport to, and do not, present fairly the financial position of the Village of Hoffman Estates, Illinois, as of December 31, 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Village and the Fund, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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 Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Village's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the financial statements. Such missing information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. Our opinion on the financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information, schedule of fund balance by source, is presented for purposes of additional analysis and is not a required part of the financial statements.

The Honorable Village President
Members of the Board of Trustees
Village of Hoffman Estates, Illinois
Page 3

The schedule of fund balance by source is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 financial statements as a whole.

FORVIS, LLP

Oakbrook Terrace, Illinois
June 20, 2022

Financial Statements

Village of Hoffman Estates, Illinois

Roselle Road TIF District Fund

Balance Sheet

December 31, 2021

Assets

Cash and investments	\$ 2,453,508
Property tax receivable	<u>811,417</u>
Total assets	<u><u>\$ 3,264,925</u></u>

Liabilities Deferred Inflows of Resources and Fund Balances

Liabilities

Miscellaneous escrow payable	\$ 25,000
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Deferred Inflows of Resources

Unavailable revenue - property taxes	<u>811,417</u>
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Total liabilities and deferred inflows of resources	836,417
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Fund Balance

Restricted for economic development - state statute	<u>2,428,508</u>
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Total deferred inflows of resources and fund balance	<u><u>\$ 3,264,925</u></u>
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Village of Hoffman Estates, Illinois
Roselle Road TIF District Fund
Statement of Revenues, Expenditures and
Changes in Fund Balance
Year Ended December 31, 2021

Revenues		
Property taxes	\$	787,056
Investment income		252
Total revenues		787,308
 Expenditures		
Current		
Economic development		6,762
 Net Change in Fund Balance		 780,546
 Fund Balance		
January 1, 2021		1,647,962
December 31, 2021	\$	2,428,508

Village of Hoffman Estates, Illinois
Roselle Road TIF District Fund
Notes to Financial Statements
December 31, 2021

Note 1: Summary of Significant Accounting Policies

The financial statements of the Roselle Road TIF District Fund of the Village of Hoffman Estates, 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 Roselle Road TIF District Fund and do not present fairly the financial position of the Village and the changes in its financial position. 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 Roselle Road 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 Special Revenue 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 property tax 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 Hoffman Estates, Illinois
Roselle Road TIF District Fund
Notes to Financial Statements
December 31, 2021

Investments

Investments with a maturity date of one year or less when purchased and all non-negotiable certificates of deposit are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased are reported at fair value.

Property Taxes

Property taxes for 2021 attach as an enforceable lien on January 1, 2021, on properties assessed as of the same date. Taxes are levied on a calendar year basis by the last Tuesday of December. Tax bills are prepared and mailed by the County on or about February 1, 2022 and August 1, 2022, and are payable in two installments, on or about March 1, 2022 and September 1, 2022. The County collects such taxes and remits them periodically. Since the 2021 levy is intended to finance the 2022 fiscal year, the levy has been recorded as receivable and unavailable revenue. The revenues in the current year financial statements represent the 2020 property tax levy.

Fund Balance

The components of fund balance include the following line item:

Restricted fund balance has externally enforceable limitations on use, such as limitations imposed by creditors, grantors, contributors or laws and regulations of other government as well as limitations imposed by law through constitutional provision or enabling legislation.

Note 2: Cash and Investments

The Village's investment policy authorizes the Village to invest in debt securities guaranteed by the United States Government (explicitly or implicitly), debt securities of the United States Government or its agencies, interest-bearing savings accounts, time deposits and certificates of deposit of a bank that is insured by the Federal Deposit Insurance Corporation, certain insured short-term obligations of corporations organized in the United States Government, certain money market mutual funds, interest-bearing bonds of other local governments and The Illinois Funds, a money market fund created by the State Legislature under the control of the State Treasurer that maintains a \$1 share value.

The Illinois Public Treasurers' Investment Pool, known as The Illinois Funds, operates as a qualified external investment pool in accordance with the criteria established in GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, and thus, reports all investments at amortized cost rather than market value. The investment in The Illinois Funds by participants is also reported at amortized cost. The Illinois Funds does not have any limitations or restrictions on participant withdrawals. The Illinois Treasurer's Office issues a separate financial report for The Illinois Funds which may be obtained by contacting the Administrative Office at Illinois Business Center, 400 West Monroe Street, Suite 401, Springfield, Illinois 62704.

Village of Hoffman Estates, Illinois

Roselle Road TIF District Fund

Notes to Financial Statements

December 31, 2021

Deposits With Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Village's deposits may not be returned to it. The Village investment policies require pledging of collateral for all bank balances in excess of federal depository insurance with the collateral held by an agent of the Village in the Village's name.

At December 31, 2021, the Fund's depository account has carrying value and bank balance of \$2,445,886. These amounts are fully covered by the FDIC Insurance or fully collateralized. The Fund also have balances in Illinois Funds of \$7,622. These amounts are fully covered by the FDIC insurance or fully collateralized.

Investments

Interest rate risk is the risk that change in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the Village limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds and maximizing yields for funds not needed currently. The investment policy limits the maximum maturity lengths of most investments to two years.

The Village limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by requiring investments primarily in obligations guaranteed by the United States Government or securities issued by agencies of the United States Government that are explicitly guaranteed by the United States Government. The Illinois Funds are not subject to custodial credit risk.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Village will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Village investment policies require all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the Village's agent separate from where the investment was purchased.

Concentration of Credit Risk - The Village's investment policy has the following diversification guidelines: no more than 50% of the Village's investments can be held at any one financial institution, exclusive of bonds, notes debenture or other obligations of the United States Government or its agencies.

Cash and investments as of December 31, 2021, is comprised of the following:

Cash	\$ 2,445,886
Illinois Funds	<u>7,622</u>
Total	<u><u>\$ 2,453,508</u></u>

Supplementary Information

Village of Hoffman Estates, Illinois
Roselle Road TIF District Fund
Schedule of Fund Balance by Source
Year Ended December 31, 2021

Beginning Balance, January 1	<u>\$ 1,647,962</u>
Deposits	
Property tax	787,056
Investment income	252
Total deposits	<u>787,308</u>
Beginning Balance Plus Deposits	2,435,270
Expenditures	
Economic development	
Other contractual services	<u>6,762</u>
Ending Balance, December 31	<u><u>\$ 2,428,508</u></u>
Ending Balance by Source	
Property taxes and interest	\$ 2,428,508
Less surplus funds	<u>-</u>
Ending Balance, December 31	<u><u>\$ 2,428,508</u></u>

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



1901 S. Meyers Road, Suite 500 / Oakbrook Terrace, IL 60181

P 630.282.9500 / F 630.282.9495

forvis.com

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

The Honorable Village President
Members of the Board of Trustees
Village of Hoffman Estates, Illinois

We have audited the Village of Hoffman Estates' compliance with the provisions of subsection (q) of Section 11-74.4-5 of the Illinois Tax Increment Redevelopment Allocation Act (Illinois Public Act 85-1142) for its Roselle Road TIF District Fund for the year ended December 31, 2021. The management of the Hoffman Estates, Illinois is responsible for the Village's 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 Hoffman Estates, Illinois' compliance with those requirements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the Hoffman Estates, Illinois complied, in all material respects, with the requirements of subsection (q) of Section 11-74.4-5 of the Illinois Tax Increment Redevelopment Allocation Act (Illinois Public Act 85-1142) for the Roselle Road TIF District Fund for the year ended December 31, 2021.

FORVIS,LLP

Oakbrook Terrace, Illinois
June 20, 2022