

STATE OF ILLINOIS
COMPTROLLER

SUSANA A. MENDOZA

Name of Municipality:	<u>Village of Dwight</u>	Reporting Fiscal Year:	2019
County:	<u>Livingston & Grundy</u>	Fiscal Year End:	3/31/2019
Unit Code:	053/030/32		

FY 2019 TIF Administrator Contact Information

First Name:	Kevin J.	Last Name:	McNamara
Address:	209 S. Prairie Avenue	Title:	Village Administrator
Telephone:	815-584-3077	City:	Dwight
E-mail- required	kmcn@dwrightillinois.com	Zip:	60420

I attest to the best of my knowledge, that this FY2019 report of the redevelopment project area(s)
in the **City/Village of:** **VILLAGE OF DWIGHT**
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.]

Kevin M. N. Amaw

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.]

FY 2019

Name of Redevelopment Project Area (below):

DOWNTOWN/IL 47 TIF

Primary Use of Redevelopment Project Area*: Combination/Mixed

* Types include: Central Business District, Retail, Other Commercial, Industrial, Residential, and Combination/Mixed.

Residential, Comm,

If "Combination/Mixed" List Component Types: Industrial

Under which section of the Illinois Municipal Code was Redevelopment Project Area designated? (check one):

Tax Increment Allocation Redevelopment Act

X

Industrial Jobs Recovery Law

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)] 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
Statement setting forth all activities undertaken in furtherance of the objectives of the redevelopment plan including any project implemented and a description of the redevelopment activities.? [65 ILCS 5/11-74.4-5 (d) (7) (A and B) and 5/11-74.6-22 (d) (7) (A and B)] If yes, please enclose the Activities Statement (labeled Attachment D).		X
Were any agreements entered into by the municipality with regard to the disposition or redevelopment of any property within the redevelopment project area or the area within the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (7) (C) and 5/11-74.6-22 (d) (7) (C)] If yes, please enclose the Agreement(s) (labeled Attachment E).	X	
Is there additional information on the use of all funds received under this Division and steps taken by the municipality to achieve the objectives of the redevelopment plan? [65 ILCS 5/11-74.4-5 (d) (7) (D) and 5/11-74.6-22 (d) (7) (D)] If yes, please enclose the Additional Information (labeled Attachment F).	X	
Did the municipality's TIF advisors or consultants enter into contracts with entities or persons that have received or are receiving payments financed by tax increment revenues produced by the same TIF? [65 ILCS 5/11-74.4-5 (d) (7) (E) and 5/11-74.6-22 (d) (7) (E)] If yes, please enclose the contract(s) or description of the contract(s) (labeled Attachment G).	X	
Were there any reports <u>submitted to</u> the municipality <u>by</u> the joint review board? [65 ILCS 5/11-74.4-5 (d) (7) (F) and 5/11-74.6-22 (d) (7) (F)] If yes, please enclose the Joint Review Board Report (labeled Attachment H).	X	
Were any obligations issued by municipality? [65 ILCS 5/11-74.4-5 (d) (8) (A) and 5/11-74.6-22 (d) (8) (A)] If yes, please enclose any Official Statement (labeled Attachment I). If Attachment I is answered yes, then the Analysis must be attached and (labeled Attachment J).	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)] If attachment I is yes, then Analysis <u>MUST</u> be attached and (labeled Attachment J).	X	
Has a cumulative of \$100,000 of TIF revenue been deposited into the special tax allocation fund? 65 ILCS 5/11-74.4-5 (d) (2) and 5/11-74.6-22 (d) (2) If yes, please enclose Audited financial statements of the special tax allocation fund (labeled Attachment K).		X
Cumulatively, have deposits of incremental taxes revenue equal to or greater than \$100,000 been made into the special tax allocation fund? [65 ILCS 5/11-74.4-5 (d) (9) and 5/11-74.6-22 (d) (9)] If yes, the audit report shall contain a letter from the independent certified public accountant indicating compliance or noncompliance with the requirements of subsection (q) of Section 11-74.4-3 (labeled Attachment L).		X
A list of all intergovernmental agreements in effect to which the municipality is a part, and an accounting of any money transferred or received by the municipality during that fiscal year pursuant to those intergovernmental agreements. [65 ILCS 5/11-74.4-5 (d) (10)] If yes, please enclose the list only, not actual agreements (labeled Attachment M).	X	

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 2019

DOWNTOWN/IL 47 TIF

Special Tax Allocation Fund Balance at Beginning of Reporting Period \$ 1,680,016

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	\$ 159,291	\$ 911,588	58%
State Sales Tax Increment			0%
Local Sales Tax Increment			0%
State Utility Tax Increment			0%
Local Utility Tax Increment			0%
Interest	\$ 18,722	\$ 30,097	2%
Land/Building Sale Proceeds			0%
Bond Proceeds			0%
Transfers from Municipal Sources			0%
Private Sources			0%
Other (identify source _____; if multiple other sources, attach schedule) ** SEE ATTACHED SCHEDULE **	\$ -	\$ 630,640	40%

All Amount Deposited in Special Tax Allocation \$ 178,013

Cumulative Total Revenues/Cash Receipts \$ 1,572,325 100%

Total Expenditures/Cash Disbursements (Carried forward from Section 3.2) \$ 398,205

Transfers to Municipal Sources \$ -

Distribution of Surplus

Total Expenditures/Disbursements \$ 398,205

Net/Income/Cash Receipts Over/(Under) Cash Disbursements \$ (220,192)

Previous Year Adjustment (Explain Below) \$ -

FUND BALANCE, END OF REPORTING PERIOD* \$ 1,459,824

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

Previous Year Explanation:

Schedule of "Other" Sources of Revenue/Cash Receipts Deposited in Fund During Reporting FY*(Total and Cumulative Values Carried Forward to Section 3.1)*

"Other" Sources	Reporting Year	Cumulative*
Loan from Developer (Love's) (FY2012)	\$ -	\$ 144,112
Grundy County (FY2014)	\$ -	\$ 42,543
Bond Insurance Premium (FY2017)	\$ -	\$ 80,282
Bond Insurance Discount (FY2017)	\$ -	\$ (25,629)
IDOT Funds (Repaving for Rail Crossing Project) (FY2018)	\$ -	\$ 176,000
Interest Monies posted to G/L (in error; will reverse next FY) (FY2018)	\$ -	\$ 2,679
Transfer in from Capital Expenditure fund (IDOT Project) (FY2018)	\$ -	\$ 210,653

Total Schedule of "Other" Sources During Reporting Period

\$ -

Cumulative Total Schedule of "Other" Sources

\$ 630,640

FY 2019

DOWNTOWN/IL 47 TIF

PAGE 1

[illegible]

[illegible]

PAGE 2

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8. Cost of job training and retraining projects.		
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		\$ -
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Debt Service: Principal	100,000	
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		\$ 150,000
10. Capital costs		

[illegible]

11. Cost of reimbursing school districts for their increased costs caused by HUD-assisted housing projects.	
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12. Cost of reimbursing library districts for their increased costs caused by TIF assisted housing projects.		
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SECTION 3.2 A

PAGE 3

13. Relocation costs.		
		\$ -
14. Payments in lieu of taxes.		
		\$ -
15. Costs of job training, retraining, advanced vocational or career education.		
		\$ -
16. Interest cost incurred by redeveloper or other nongovernmental persons in connection with a redevelopment project.		
		\$ -
17. Cost of day care services.		
		\$ -
18. Other.		
		\$ -
TOTAL ITEMIZED EXPENDITURES		\$ 398,205

FY 2019

DOWNTOWN/IL 47 TIF

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

[illegible]

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

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

FY 2019

TIF NAME:

DOWNTOWN/IL 47 TIF

FUND BALANCE BY SOURCE

\$	1,459,824
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Amount of Original Issuance	Amount Designated
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1. Description of Debt Obligations

\$1,970,000 G.O. Bonds (Tax Increment Alt.Rev.Source) 21016B	\$ 1,970,000	\$ 2,275,366

Total Amount Designated for Obligations

\$ 1,970,000	\$ 2,275,366
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2. Description of Project Costs to be Paid

Loan to General Fund (Expenses paid with TIF Funds; owed back to this TIF Fund)	\$ (23,000)
Restricted Funds	\$ 1,459,824

Total Amount Designated for Project Costs

\$ 1,436,824

TOTAL AMOUNT DESIGNATED

\$ 3,712,190

SURPLUS/(DEFICIT)

\$ (2,252,366)

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

FY 2019

TIF NAME:

DOWNTOWN/IL 47 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:	

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

PAGE 1

FY 2019

TIF Name:

DOWNTOWN/IL 47 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':

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

LIST ALL projects undertaken by the Municipality Within the Redevelopment Project Area:			
TOTAL:	11/1/99 to Date	Estimated Investment for Subsequent Fiscal Year	Total Estimated to Complete Project
Private Investment Undertaken (See Instructions)	\$ 4,400,000	\$ -	\$ -
Public Investment Undertaken	\$ 1,841,107	\$ -	\$ -
Ratio of Private/Public Investment	2 23/59		0

*PROJECT NAME TO BE LISTED AFTER PROJECT NUMBER

Project 1*: LOVE'S DEVELOPMENT

Private Investment Undertaken (See Instructions)	\$ 4,400,000		
Public Investment Undertaken	\$ 648,005		
Ratio of Private/Public Investment	6 64/81		0

Project 2*: DOWNTOWN CONSTRUCTION REBUILD PROJECT

Private Investment Undertaken (See Instructions)	\$ -		
Public Investment Undertaken	\$ 1,193,102		
Ratio of Private/Public Investment	0		0

Project 3*:

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

Project 4*:

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

Project 5*:

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

Project 6*:

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

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

SECTION 6

FY 2019

TIF NAME: DOWNTOWN/IL 47 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
2009	TY2008: 3,287,528	TY2017: 4,056,906

List all overlapping tax districts in the redevelopment project area.

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

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

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

SECTION 7

Provide information about job creation and retention:

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

SECTION 8

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

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

Jared Anderson
President

Jill Haacke
Village Clerk

Diane Jensen
Village Treasurer

Village of Dwight

209 S. Prairie Ave. • Dwight, Illinois 60420

Email: villagehall@dwrightillinois.com

www.dwrightillinois.org

815-584-3077

fax 815-584-2680

Board of Trustees:

Justin Eggenberger

Marla Kinkade

Jerry Curtis

Randy Irvin

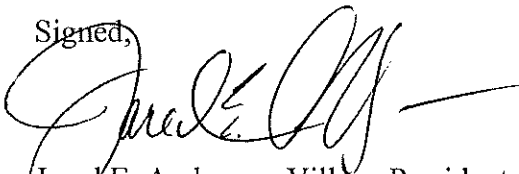
Jennifer Johnson

Chuck Butterbrodt

September 19, 2019

I, Jared E. Anderson, as the Chief Executive Officer of the Village of Dwight, Illinois, do hereby certify to the best of my knowledge that the Village of Dwight has complied with all of the requirements of the Illinois Tax Increment Redevelopment Allocation Act during the fiscal year beginning April 1, 2018 and ending March 31, 2019.

Signed,



Jared E. Anderson, Village President
Village of Dwight

IRVIN L. MASCHING
ATTORNEY AT LAW

105 EAST CHIPPEWA STREET
P.O. BOX 247
DWIGHT, ILLINOIS 60420-0247
(815) 584-1700
FAX (815) 584-2900
imasching@maschinglaw.com

September 23, 2019

Re: Downtown/IL 47 TIF District Annual Report for Fiscal Year Beginning April 1, 2018
and ending March 31, 2019
Compliance Review

I, Irvin L. Masching, Village Attorney for the Village of Dwight, Grundy and Livingston Counties, Illinois have reviewed information provided to me by the Village of Dwight pertaining to the Downtown/IL 47 TIF District for Fiscal Year beginning April 1, 2018 and ending March 31, 2019, and specifically have reviewed the Annual Report for fiscal year 2019 for the period beginning April 1, 2018 and ending March 31, 2019 and the attachments thereto.

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 the information provided, it is my opinion that as to the matters to which I am aware and which have been specifically brought to my attention, the Village of Dwight, Grundy and Livingston Counties, Illinois has complied with the applicable procedural requirements of the Illinois Tax Increment Redevelopment Allocation Act (65 ILCS 5/11-74.4 ET SEQ.), to the best of my knowledge and belief. This opinion only relates to the time period of the Downtown/IL47 TIF District Annual Report, which is for the fiscal year beginning April 1, 2018 and ending March 31, 2019, and is based solely upon the information with which I have been provided by the Village of Dwight, including the Annual Report for fiscal year 2019, and the attachments thereto. This is further limited to the information and the attachments set forth in the aforementioned Annual Report, and does not purport to verify the accuracy of any funds or amounts set forth therein, including the Independent Auditors' Report by Mack & Associates, P.C. attached as an Exhibit to the aforementioned Annual Report.

Dated this 23rd day of September, 2019.

Irvin L. Masching, Village Attorney
Village of Dwight, Illinois

Statement of Activities

- A. Any project implemented during the reporting Fiscal Year; and
- B. A description of the redevelopment activities undertaken.

The Village continued to market opportunities available within the TIF District.

The Village continued implementing projects as part of the Downtown Construction Rebuild Project. The East Main parking lot was completed. East Main and Franklin Street plans were finalized and put out for bid.

A total of \$398,205 in eligible TIF Expenditures were paid from the TIF Fund, including \$238,220 for construction projects and related engineering services, \$153,660 for debt service principal and interest payments, and \$6,325 in administrative expenses and fees.

VILLAGE OF DWIGHT, ILLINOIS

STATEMENT C

Statement of Assets, Liabilities and Fund Balances
 Modified Cash Basis - Governmental Funds
 March 31, 2019

	Major Funds					Total	
	General Fund	Referendum Fund	TIF Fund	Referendum Bond Fund	Non-major Governmental Funds	Governmental Funds 2019	Governmental Funds 2018
<u>Assets</u>							
Cash	\$ 284,363	409,179	1,459,824	-	285,699	2,439,065	3,443,308
Total assets	\$ 284,363	409,179	1,459,824	-	285,699	2,439,065	3,443,308
<u>Fund Balances</u>							
Unassigned	\$ 252,655	-	-	-	(212,293)	40,362	(3,444)
Assigned	-	-	-	-	18,577	18,577	115,982
Committed	-	-	-	-	166,799	166,799	199,527
Restricted	31,708	409,179	1,459,824	-	312,616	2,213,327	3,131,243
Total fund balances	\$ 284,363	409,179	1,459,824	-	285,699	2,439,065	3,443,308

Reconciliation to Statement of Net Position:

Amounts reported for governmental activities in the Statement of Net Position are different because:

Land held for sale	48,210	48,210
Capital assets used in governmental activities of \$11,702,339 (net of accumulated depreciation of \$4,612,192) are not financial resources and, therefore, are not reported in the funds.	7,090,147	7,279,620
Some liabilities, including capital debt obligations payable, are not due and payable in the current period and, therefore, are not reported in the funds.	(5,940,000)	(6,410,000)
Net position of governmental activities	\$ 3,637,422	4,361,138

The Notes to Basic Financial Statements are an integral part of this statement.

Statement of Revenues Received, Expenditures Disbursed, and Changes in Fund Balances
 Governmental Funds
 For the Year Ended March 31, 2019

	Major Funds			Referendum Bond Fund	Non-major Governmental Funds	Total Governmental Funds	
	General Fund	Referendum Fund	TIF Fund			2019	2018
Revenues received:							
Property taxes	\$ 540,329	-	-	-	272,490	812,819	662,836
Utility tax	330,957	-	-	-	-	330,957	329,457
Sales tax	678,235	447,820	-	-	-	1,126,055	1,069,206
Income tax	408,646	-	-	-	-	408,646	415,069
Replacement tax	36,922	-	-	-	-	36,922	40,309
Local use tax	125,140	-	-	-	-	125,140	110,191
Hotel/Motel tax	36,257	-	-	-	-	36,257	39,846
Video gaming tax	95,387	-	-	-	-	95,387	93,881
Interest income	4,707	7,648	18,722	-	5,435	36,512	26,020
Motor Fuel Tax	-	-	-	-	108,699	108,699	107,878
TIF Revenue	-	-	159,291	-	-	159,291	166,690
Charges for Services	523,432	-	-	-	-	523,432	517,071
Fines, fees, and forfeitures	93,102	-	-	-	-	93,102	88,505
Grants	2,023	-	-	-	-	2,023	451,451
Licenses and permits	37,264	-	-	-	-	37,264	37,082
Donations	7,927	-	-	-	-	7,927	58,552
Reimbursements	15,807	-	-	-	12,421	28,228	16,706
Miscellaneous	17,825	-	-	-	-	17,825	28,381
Total revenues received	2,953,960	455,468	178,013	-	399,045	3,986,486	4,259,131
Expenditures disbursed:							
Current:							
General government	453,385	-	-	475	361,439	815,299	741,336
Garbage services	320,822	-	-	-	-	320,822	311,155
Public safety	1,655,590	-	-	-	-	1,655,590	1,613,351
Streets and lighting	362,464	427,308	244,545	-	359,919	1,394,236	4,487,684
Culture and recreation	144,160	-	-	-	-	144,160	242,323
Capital Outlay	-	-	-	-	18,097	18,097	113,545
Debt Service	-	-	-	-	-	-	-
Principal	-	-	100,000	370,000	-	470,000	425,000
Interest	-	-	53,660	118,865	-	172,525	212,201
Total expenditures disbursed	2,936,421	427,308	398,205	489,340	739,455	4,990,729	8,146,595
Excess (deficiency) of revenues received over (under) expenditures disbursed	17,539	28,160	(220,192)	(489,340)	(340,410)	(1,004,243)	(3,887,464)

The Notes to Basic Financial Statements are an integral part of this statement.

Statement of Revenues Received, Expenditures Disbursed, and Changes in Fund Balances
 Governmental Funds
 For the Year Ended March 31, 2019

	Major Funds			Referendum Bond Fund	Non-major Governmental Funds	Total Governmental Funds	
	General Fund	Referendum Fund	TIF Fund			2019	2018
Other financing sources (uses):							
Transfers in	\$ 60,000	-	-	489,340	64,998	614,338	815,370
Transfers out	(64,998)	(489,340)	-	-	(60,000)	(614,338)	(796,976)
Total other financing sources (uses)	(4,998)	(489,340)	-	489,340	4,998	-	18,394
Net change in fund balance	12,541	(461,180)	(220,192)	-	(335,412)	(1,004,243)	(3,869,070)
Fund balances - beginning	271,822	870,359	1,680,016	-	621,111	3,443,308	7,312,378
Fund balances - ending	\$ 284,363	409,179	1,459,824	-	285,699	2,439,065	3,443,308

Reconciliation to the Statement of Activities:

Net Change in Fund Balances - total governmental funds \$ (1,004,243) (3,869,070)

Amounts reported for governmental activities in the Statement of Activities are different because:

Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.

Bonds Payable	470,000	425,000
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Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The change in fund balance must be increased by capital purchases and decreased by depreciation expense.

Purchase of capital assets	145,855	50,545
Depreciation	(335,328)	(332,878)

Change in net position of governmental activities (Statement B)	\$ (723,716)	(3,726,403)
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VILLAGE OF DWIGHT, ILLINOIS

Notes to Basic Financial Statements For the Year Ended March 31, 2019

NOTE 15: MOTOR FUEL TAX ALLOTMENTS

Allotments to the Village are being received from the State of Illinois each month. These allotments, however, may be expended only for specific projects that have been approved by the Department of Transportation, State of Illinois. The Motor Fuel Tax Allotments are accounted for in a separate Motor Fuel Tax Fund.

NOTE 16: POSTRETIREMENT BENEFITS OTHER THAN PENSIONS

GASB Statement No. 45 – Accounting and Financial Reporting by Employers for Postretirement Benefits Other Than Pensions. Projections of benefits for financial reporting purposes are based on a given plan and include the benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point.

The Village health plan for employees contains a provision whereby the Village will pay single health insurance premiums for retiring full-time employees that have a minimum of 15 years of service with the Village. The Village pays a percentage of the premium ranging from 50% to 70% depending on the years of service at retirement until the retiree becomes eligible for Medicare. The Village pays no part of the premiums once the retiree reaches age 65, but the retiree is eligible to remain on the group policy and pay the monthly premiums. The Village has not determined the actuarial obligation attributable to this plan, though it is assumed to be insignificant.

NOTE 17: TIF DISTRICT

On April 3, 2009, the Village Board of Trustees passed Ordinance 1264 establishing a tax increment financing district. The goal of the Tax Increment Financing law is to induce private development, which would not occur without public expenditures, in economically depressed areas in order to improve property value and eliminate blight.

Also on April 3, 2009, the Village approved the Downtown/IL 47 Redevelopment Plan and Project and designated the Downtown/IL 47 Redevelopment Project Area as the TIF District.

The Village uses incremental tax revenues to pay for redevelopment project costs and obligations incurred during both projects.

The Village made payments totaling \$243,520 from the TIF Fund for construction projects and related engineering and professional fees during the current fiscal year, per an approved agreement.

Refer to Note 6 for debt obligations in the TIF Fund.

VILLAGE OF DWIGHT, ILLINOIS
TIF FUND

SCHEDULE B-3

Statement of Assets, Liabilities and
Fund Balance Arising from Cash Transactions
March 31, 2019

<u>Assets</u>	
Cash	\$ 1,459,824
Total assets	<u>\$ 1,459,824</u>
<u>Fund Balance</u>	
Restricted fund balance	\$ 1,459,824
Total fund balance	<u>\$ 1,459,824</u>

Statement of Revenues Received, Expenditures Disbursed
and Changes in Fund Balance - Budget & Actual
For the Year Ended March 31, 2019
(With Comparative Figures for 2018)

SCHEDULE B-4

	Original and Final Budget	Year Ended March 31, 2019	2018
Revenues received:			
TIF revenue	\$ 170,000	159,291	166,690
Grants	-	-	176,000
Interest income	4,000	18,722	6,669
Total revenues received	<u>174,000</u>	<u>178,013</u>	<u>349,359</u>
Expenditures disbursed:			
Construction projects	1,543,315	233,281	549,098
Engineering service	150,000	4,939	104,218
Other professional services	6,000	5,300	-
Dues	550	550	550
Debt service:			
Principal	100,000	100,000	85,000
Interest	53,660	53,660	64,894
Fees	475	475	475
Total expenditures disbursed	<u>1,854,000</u>	<u>398,205</u>	<u>804,235</u>
Excess (deficiency) of revenues received over (under) expenditures disbursed	<u>(1,680,000)</u>	<u>(220,192)</u>	<u>(454,876)</u>
Other financing sources (uses):			
Bond proceeds	-	-	2,679
Transfers in	-	-	210,653
Transfers out	-	-	(98,541)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>114,791</u>
Net change in fund balance	<u>\$ (1,680,000)</u>	<u>(220,192)</u>	<u>(340,085)</u>
Fund balance (deficit), beginning of year		<u>1,680,016</u>	<u>2,020,101</u>
Fund balance (deficit), end of year		<u>1,459,824</u>	<u>1,680,016</u>

VILLAGE OF DWIGHT, ILLINOIS

Notes to Other Information For the Year Ended March 31, 2019

NOTE 1: BUDGETARY PROCEDURES

The Village follows these procedures in establishing the budgetary data reflected in the financial statements.

1. The municipal budget officer compiles a budget containing estimates of revenues available to the Village for the fiscal year for which the budget is drafted, together with recommended expenditures for the Village and all the Village's departments, commissions and boards.
2. Passage of the annual budget by the Board of Trustees is in lieu of passage of the appropriation ordinance as required by Section 8-2-9 of the Illinois Municipal Code.
3. The annual budget is adopted by the Board of Trustees before the beginning of the fiscal year to which it applies.
4. Formal budgetary integration is employed as a management control device at the fund level during the year for the General Fund and Special Revenue Funds. Formal budgetary integration is not employed for Debt Service Funds because effective budgetary control is alternatively achieved through general obligation bond indenture provisions.
5. The Budget is adopted on a cash basis, which is a comprehensive basis of accounting other than generally accepted accounting principles (GAAP). Budgetary comparisons presented in this report are on this non-GAAP budgetary basis. On March 26, 2018, the Village approved Ordinance No. 1403 adopting the annual budget for the fiscal year ending March 31, 2019.

NOTE 2: BUDGETARY COMPARISONS – MAJOR FUNDS

The following is an analysis of budget versus actual amounts for the Village's major funds for the year ended March 31, 2019:

Description	Budget	Actual	Variance	Percent Variance
General Fund Expenditures Disbursed	\$ 3,082,634	2,936,421	146,213	4.98%
Referendum Bond Fund Expenditures Disbursed	489,340	489,340	-	0.00%
Referendum Fund Expenditures Disbursed	963,359	427,308	536,051	125.45%
TIF Fund Expenditures Disbursed	1,854,000	398,205	1,455,795	365.59%



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CERTIFIED PUBLIC ACCOUNTANTS

ATTACHMENT L

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CHRIS CHRISTENSEN
STEPHANIE HEISNER
SONDRA RANKIN, MBA

**Independent Auditors' Report
On Compliance with Illinois Municipal Code
Subsection (q) Section 11-74.4-3 of Public Act 85-1142**

To the Honorable Mayor and
Members of the Council
Village of Dwight, Illinois

Report on the Financial Statements

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Dwight, Illinois, as of and for the year ended March 31, 2019, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements and have issued our report thereon dated June 24, 2019.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. 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.

Auditors' Responsibility

Our responsibility is to express opinions 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 *Governmental 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 auditors' 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 integral control relevant to the Village'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 Village'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.

Opinions

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

Compliance with laws, regulations, contracts and grants applicable to the Village of Dwight, Illinois, is the responsibility of the Village of Dwight, Illinois' management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement we performed tests on the Village of Dwight, Illinois' compliance with provisions of Subsection (q) of Section 11-74.4-3 of Public Act 85-1142. However, the objective of our audit of the financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

However, the results of our tests disclosed no instances of noncompliance with Section 11-74.4-3 of Public Act 85-1142.

This report is intended solely for the information and use of the Village Council, management, State of Illinois, and others within the Village and is not intended to be and should not be used by anyone other than those specified parties.

Mack & Associates, P.C.

Mack & Associates, P.C.
Certified Public Accountants

Morris, Illinois
June 24, 2019