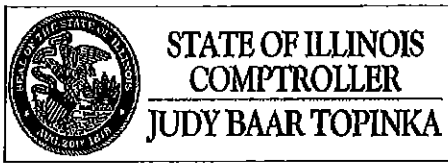


FY 2014
ANNUAL TAX INCREMENT FINANCE
REPORT



Name of Municipality: City of Bloomington Reporting Fiscal Year: 2014
County: McLean Fiscal Year End: 4/30/2014
Unit Code: 064/025/30

TIF Administrator Contact Information

First Name: Patti-Lynn Last Name: Silva
Address: 109 E. Olive Title: Finance Director
Telephone: 309-434-2336 City: Bloomington Zip: 61701-3157
Mobile _____ E-mail _____
Mobile _____ Best way to X Email _____ Phone _____
Provider _____ contact _____ Mobile _____ Mail _____

I attest to the best of my knowledge, this report of the redevelopment project areas in: City/Village of _____
is complete and accurate at the end of this reporting Fiscal year under the Tax Increment Allocation Redevelopment Act [65 ILCS 5/11-74.4-3 et. seq.] Or the Industrial Jobs Recovery Law [65 ILCS 5/11-74.6-10 et. seq.]
Patti-Lynn Silva _____ 11/14/14
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		
Name of Redevelopment Project Area	Date Designated	Date Terminated
Downtown Bloomington	12/22/1986	

*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 2014

Name of Redevelopment Project Area:	Downtown Bloomington
Primary Use of Redevelopment Project Area*:	Commercial
If "Combination/Mixed" List Component Types:	
Under which section of the Illinois Municipal Code was Redevelopment Project Area designated? (check one):	
Tax Increment Allocation Redevelopment Act <input checked="" type="checkbox"/>	Industrial Jobs Recovery Law <input type="checkbox"/>

	No	Yes
Were there any amendments to the redevelopment plan, the redevelopment project area, or the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (1) and 5/11-74.6-22 (d) (1)] If yes, please enclose the amendment labeled Attachment A	X	
Certification of the Chief Executive Officer of the municipality that the municipality has complied with all of the requirements of the Act during the preceding fiscal year. [65 ILCS 5/11-74.4-5 (d) (3) and 5/11-74.6-22 (d) (3)] Please enclose the CEO Certification labeled Attachment B		X
Opinion of legal counsel that municipality is in compliance with the Act. [65 ILCS 5/11-74.4-5 (d) (4) and 5/11-74.6-22 (d) (4)] Please enclose the Legal Counsel Opinion labeled Attachment C		X
Were there any activities undertaken in furtherance of the objectives of the redevelopment plan, including any project implemented in the preceding fiscal year and a description of the activities undertaken? [65 ILCS 5/11-74.4-5 (d) (7) (A and B) and 5/11-74.6-22 (d) (7) (A and B)] If yes, please enclose the Activities Statement labeled Attachment D	X	
Were any agreements entered into by the municipality with regard to the disposition or redevelopment of any property within the redevelopment project area or the area within the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (7) (C) and 5/11-74.6-22 (d) (7) (C)] If yes, please enclose the Agreement(s) labeled Attachment E	X	
Is there additional information on the use of all funds received under this Division and steps taken by the municipality to achieve the objectives of the redevelopment plan? [65 ILCS 5/11-74.4-5 (d) (7) (D) and 5/11-74.6-22 (d) (7) (D)] If yes, please enclose the Additional Information labeled Attachment F	X	
Did the municipality's TIF advisors or consultants enter into contracts with entities or persons that have received or are receiving payments financed by tax increment revenues produced by the same TIF? [65 ILCS 5/11-74.4-5 (d) (7) (E) and 5/11-74.6-22 (d) (7) (E)] If yes, please enclose the contract(s) or description of the contract(s) labeled Attachment G	X	
Were there any reports or meeting minutes submitted to the municipality by the joint review board? [65 ILCS 5/11-74.4-5 (d) (7) (F) and 5/11-74.6-22 (d) (7) (F)] If yes, please enclose the Joint Review Board Report labeled Attachment H		X
Were any obligations issued by municipality? [65 ILCS 5/11-74.4-5 (d) (8) (A) and 5/11-74.6-22 (d) (8) (A)] If yes, please enclose the Official Statement labeled Attachment I	X	
Was analysis prepared by a financial advisor or underwriter setting forth the nature and term of obligation and projected debt service including required reserves and debt coverage? [65 ILCS 5/11-74.4-5 (d) (8) (B) and 5/11-74.6-22 (d) (8) (B)] If yes, please enclose the Analysis labeled Attachment J	X	
Cumulatively, have deposits equal or greater than \$100,000 been made into the special tax allocation fund? [65 ILCS 5/11-74.4-5 (d) (2) and 5/11-74.6-22 (d) (2)] If yes, please enclose Audited financial statements of the special tax allocation fund labeled Attachment K		X
Cumulatively, have deposits of incremental revenue equal to or greater than \$100,000 been made into the special tax allocation fund? [65 ILCS 5/11-74.4-5 (d) (9) and 5/11-74.6-22 (d) (9)] If yes, please enclose a certified letter statement reviewing compliance with the Act labeled Attachment L		X
A list of all intergovernmental agreements in effect in FY 2010, to which the municipality is a part, and an accounting of any money transferred or received by the municipality during that fiscal year pursuant to those intergovernmental agreements. [65 ILCS 5/11-74.4-5 (d) (10)] If yes, please enclose list only of the intergovernmental agreements labeled Attachment M	X	

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

SECTION 3.1 - (65 ILCS 5/11-74.4-5 (d) (5) and 65 ILCS 5/11-74.6-22 (d) (5))

Provide an analysis of the special tax allocation fund.

FY 2014

TIF NAME: Downtown Bloomington

Fund Balance at Beginning of Reporting Period

\$ 55,492

Revenue/Cash Receipts Deposited in Fund During Reporting FY:	Reporting Year	Cumulative*	% of Total
Property Tax Increment		\$ 15,369,595	38%
State Sales Tax Increment		\$ 905,881	2%
Local Sales Tax Increment		\$ 345,461	1%
State Utility Tax Increment			0%
Local Utility Tax Increment			0%
Interest		\$ 13,893	0%
Land/Building Sale Proceeds		\$ 132,988	0%
Bond Proceeds			0%
Transfers from Municipal Sources		\$ 23,500,000	58%
Private Sources		\$ 261,751	1%
Other (Identify source _____; if multiple other sources, attach schedule)		\$ 27,960	0%

*must be completed where 'Reporting Year' is populated

Total Amount Deposited In Special Tax Allocation Fund During Reporting Period

\$ -

Cumulative Total Revenues/Cash Receipts

\$ 40,557,529 100%

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

\$ 61,312

Distribution of Surplus

Total Expenditures/Disbursements

\$ 61,312

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

\$ (61,312)

FUND BALANCE, END OF REPORTING PERIOD*

\$ (5,820)

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

SURPLUS*/(DEFICIT)(Carried forward from Section 3.3)

\$ (5,820)

SECTION 3.2 A

PAGE 3

14. Costs of reimbursing private developers for interest expenses incurred on approved redevelopment projects. Subsection (g)(11)(A-E) and (o)(13)(A-E)		
		\$ -
15. Costs of construction of new housing units for low income and very low-income households, Subsection (q)(11)(F) - Tax Increment Allocation Redevelopment TIFs ONLY		
		\$ -
18. Cost of day care services and operational costs of day care centers. Subsection (q) (11.5) - Tax Increment Allocation Redevelopment TIFs ONLY		
		\$ -
TOTAL ITEMIZED EXPENDITURES		\$ 61,312

SECTION 3.3 - (65 ILCS 5/11-74.4-5 (d) (6) 66 ILCS 11-74.6-22 (d) (6))

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

FY 2014

TIF NAME: Downtown Bloomington

FUND BALANCE, END OF REPORTING PERIOD \$ (5,820)

	Amount of Original Issuance	Amount Designated
1. Description of Debt Obligations		

Total Amount Designated for Obligations \$ - \$ -

2. Description of Project Costs to be Paid		

Total Amount Designated for Project Costs \$ -

TOTAL AMOUNT DESIGNATED \$ -

SURPLUS*(DEFICIT) \$ (5,820)

* NOTE: If a surplus is calculated, the municipality may be required to repay the amount to overlapping taxing

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

FY 2014

TIF NAME: Downtown Bloomington

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

No property was acquired by the Municipality Within the Redevelopment Project Area

Property Acquired by the Municipality Within the Redevelopment Project Area

Property (1):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (2):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (3):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (4):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

SECTION 5 - 65 ILCS 5/11-74.4-5 (d) (7) (G) and 65 ILCS 5/11-74.6-22 (d) (7) (G)
PAGE 1

FY 2014

TIF NAME: Downtown Bloomington

SECTION 5 PROVIDES PAGES 1-3 TO ACCOMMODATE UP TO 26 PROJECTS. PAGE 1 MUST BE INCLUDED WITH TIF REPORT. PAGES 2-3 SHOULD BE INCLUDED ONLY IF PROJECTS ARE LISTED ON THESE PAGES

Check here if <u>NO</u> projects were undertaken by the Municipality Within the Redevelopment Project Area: _____			
ENTER total number of projects undertaken by the Municipality Within the Redevelopment Project Area and list them in detail below*.			13
TOTAL:	11/1/99 to Date	Estimated Investment for Subsequent Fiscal Year	Total Estimated to Complete Project
Private Investment Undertaken (See Instructions)	\$ 17,717,935	\$ -	\$ 17,717,935
Public Investment Undertaken	\$ 4,633,141	\$ -	\$ 4,633,141
Ratio of Private/Public Investment	3 75/91		3 75/91

Project 1: *IF PROJECTS ARE LISTED NUMBER MUST BE ENTERED ABOVE

East Douglas Apts			
Private Investment Undertaken (See Instructions)	\$ 3,500,000		\$ 3,500,000
Public Investment Undertaken	\$ 391,700		\$ 391,700
Ratio of Private/Public Investment	8 29/31		8 29/31

Project 2:

Illinois House			
Private Investment Undertaken (See Instructions)	\$ 460,000		\$ 460,000
Public Investment Undertaken	\$ 140,000		\$ 140,000
Ratio of Private/Public Investment	3 2/7		3 2/7

Project 3:

408 West Washington			
Private Investment Undertaken (See Instructions)	\$ 376,317		\$ 376,317
Public Investment Undertaken	\$ 67,329		\$ 67,329
Ratio of Private/Public Investment	5 33/56		5 33/56

Project 4:

Eisenberger			
Private Investment Undertaken (See Instructions)	\$ 9,000,000		\$ 9,000,000
Public Investment Undertaken	\$ 2,228,000		\$ 2,228,000
Ratio of Private/Public Investment	4 3/76		4 3/76

Project 5:

309 North Main Street			
Private Investment Undertaken (See Instructions)	\$ 235,142		\$ 235,142
Public Investment Undertaken	\$ 78,380		\$ 78,380
Ratio of Private/Public Investment	3		3

Project 6:

507-511 and 513-515 North Main Street			
Private Investment Undertaken (See Instructions)	\$ 1,240,000		\$ 1,240,000
Public Investment Undertaken	\$ 129,537		\$ 129,537
Ratio of Private/Public Investment	9 4/7		9 4/7

Project 7:			
Wonderlins Galleries			
Private Investment Undertaken (See Instructions)	\$	262,000	\$ 262,000
Public Investment Undertaken	\$	80,000	\$ 80,000
Ratio of Private/Public Investment		3 11/40	3 11/40

Project 8:			
201 East Grove			
Private Investment Undertaken (See Instructions)	\$	1,712,476	\$ 1,712,476
Public Investment Undertaken	\$	477,120	\$ 477,120
Ratio of Private/Public Investment		3 33/56	3 33/56

Project 9:			
Wollrab Properties			
Private Investment Undertaken (See Instructions)	\$	932,000	\$ 932,000
Public Investment Undertaken	\$	210,063	\$ 210,063
Ratio of Private/Public Investment		4 38/87	4 38/87

Project 10:			
Fuller Façade Grants			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	187,712	\$ 187,712
Ratio of Private/Public Investment		0	0

Project 11:			
East Street Sidewalk Project			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	58,048	\$ 58,048
Ratio of Private/Public Investment		0	0

Project 12:			
Street Scapè Improvements			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	58,048	\$ 58,048
Ratio of Private/Public Investment		0	0

Project 13:			
Water Main Construction			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	527,204	\$ 527,204
Ratio of Private/Public Investment		0	0

Project 14:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment		0	0

Project 15:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment		0	0

Project 16:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 17:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 18:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 19:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 20:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 21:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 22:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 23:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 24:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 25:			
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 complete TIF report**

SECTION 6

FY 2014

TIF NAME: Downtown Bloomington

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

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

X 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	

CITY OF BLOOMINGTON

Unit Code: 064/025/30

CERTIFICATION OF CHIEF EXECUTIVE OFFICER

I, Tari Renner, Mayor of the City of Bloomington, McLean County, Illinois, certify that the City has complied with all of the requirements of the *Tax Increment Allocation Redevelopment Act*, 65 ILCS 5/11-74.4-1 *et seq.*, during the fiscal year ending April 30, 2014, in connection with the administration of the Tax Increment Project Area for the City's Downtown Bloomington Tax Increment Financing District.


Tari Renner, Mayor

ATTACHMENT B

LAW OFFICE
KATHLEEN FIELD ORR & ASSOCIATES
53 WEST JACKSON BOULEVARD
SUITE 964
CHICAGO, ILLINOIS 60604
(312) 382-2113
(312) 382-2127 facsimile

KATHLEEN FIELD ORR
kfo@kfoassoc.com

November 17, 2014

Judy Baar Topinka, State Comptroller
State of Illinois Building
100 West Randolph Street
Suite 15-500
Chicago, Illinois 60601

Dear Ms. Topinka:

I have acted as Special Counsel for the City of Bloomington, McLean County, Illinois, in connection with the administration of the Downtown Bloomington Tax Increment Redevelopment Project Area.

I have reviewed all information provided to me by the Mayor and City Clerk and, to the best of my knowledge and belief, find that the City has conformed with all of the applicable provisions of the *Tax Increment Allocation Redevelopment Act*, 65 ILCS 5/11-74.4-1, *et seq.*, for the fiscal year ending April 30, 2014.

Very truly yours,

KATHLEEN FIELD ORR & ASSOCIATES



Kathleen Field Orr

ATTACHMENT C

ANNUAL JOINT REVIEW BOARD
CITY OF BLOOMINGTON

Central Bloomington Redevelopment Project Area
Market Square Redevelopment Project Area

September 5, 2014

City staff present: Patti-Lynn Silva, Director of Finance, Paulette Hurd, Chief Accountant, and Tracey Covert, City Clerk.

Local Governmental Unit representatives present: Deb Skillrud, Town of the City of Bloomington – Township Supervisor; Diane Andes Finney, Bloomington Normal Airport Authority (BNAA) – Chief Financial Officer; Randy Stein, Bloomington Normal Water Reclamation District (BNWRD) – Executive Director; and Doug Minter, Heartland Community College – Vice President – Business Services.

Others present: Kathy Orr, Kathleen Field Orr & Associates, (legal counsel).

The meeting was called to order at City Hall at 10:04 a.m.

Patti-Lynn Silva, Finance Director, called the Annual Joint Review Board meeting to order. She noted that an agenda had been prepared. She stated that the Board needed to appoint/reappoint a public member.

Kathy Orr, Kathleen Field Orr & Associates, (outside legal counsel), participated via telephone. She noted that this appointment was important and required by statute. She added that this was an annual review. There would be no vote. This was the annual meeting which was for reporting purposes.

Ms. Orr addressed Board membership which consisted of six (6) individuals. The following entities were a part of the Board: the City, McLean County, Heartland Community College, (community college); and McLean County Unit 5 and District 87, (two/2 public school districts); and a public member. There were additional taxing districts, (i.e. BNWRD and BNAA), which must be notified but who do not participate as a voting member.

Motion by Doug Minter, seconded by Patti Lynn Silva to appoint Randy Stein as the public member.

Motion carried, (viva voce).

Ms. Orr noted that the Board needed to appoint a chairperson.

Motion by Deb Skillrud, seconded by Doug Minter to appoint Patti-Lynn Silva as chairman.

Motion carried, (viva voce).

Ms. Orr addressed the Board regarding the Central Bloomington Redevelopment Area TIF, (Tax Increment Financing). This TIF had been left open due to litigation. She informed those present that the City had prevailed in court. This had occurred yesterday afternoon. David Bentley has threatened to appeal. She noted that due to this lawsuit no money could be distributed.

Ms. Silva informed those present that the FY 2013 year end balance had been \$55,000.

Ms. Orr noted that Mr. Bentley had thirty-five (35) days to file an appeal.

Paulette Hurd, Chief Accountant, addressed the Board. She believed that all remaining funds had been depleted, (i.e. legal fees).

Ms. Orr noted that any further legal action would require use of the City's General Fund to cover these costs.

Ms. Skillrud questioned the balance of the Downtown TIF.

Ms. Silva restated that fund balance was zero. She cited the legal fees from the Bentley lawsuit. A TIF has a life of twenty-three (23) years.

Ms. Silva noted that the purpose of the meeting was to review the annual reports for two (2) Tax Increment Financing (TIF) Districts – Market Square and Central Bloomington. This review would include revenues and expenditures.

Ms. Silva, Finance Director, directed the Board to Market Square Annual Tax Increment Finance Report for 2013. The end date for this report was April 30, 2013. She directed the Board to page 3, Fund Balance, End of Reporting Period: \$877,455. A debt of \$1.2 million needed to be paid. Review was also listed on page 3, Total Amount Deposited in Special Tax Allocation Fund During Reporting Period: \$488,886. She referred to the audit performed by Sikich: City of Bloomington, Illinois, Financial Report and Report on Compliance with Public Act 85 – 1142, Tax Increment Financing Funds, for the Year Ended April 30, 2013. She directed the Board to page 4 which confirmed the fund balance, Total Assets: \$877,455. This balance would be held for debt service. She directed the Board to page 5 which addressed Revenues. Total revenues: \$488,886 and total expenditures: \$1,204,411. The net income resulted in change of fund balance from May 1, 2012: \$1,592,980 to April 30, 2013: \$877,455.

Ms. Hurd addressed the Balance Sheet - \$877,605. The Income Statement reflected that the debt had been paid. There would be no additional revenue. The City was ready to close this TIF.

Ms. Orr noted that for the taxing districts incremental revenue was over. The information presented addressed what had been down with the TIF revenue. Obligations had to be

paid for. Any left over balance would be distributed. The TIF would be closed and there would be no additional activity. The law was silent at this point. The City was required to provide the financial report. However a meeting was not required.

Ms. Silva noted that this was a sales tax TIF.

Ms. Orr noted that sales tax TIF could be difficult. Any remaining funds would go the state first.

Ms. Silva noted that Ms. Hurd had prepared preliminary numbers. Ms. Hurd reported same, (Preliminary draft of Surplus Funds Distribution Calculation for the Termination of a TIF District).

Ms. Hurd added that the sales tax TIF remaining balance would be divided between the state and the City, (67.9% versus 32.1%). Surplus revenue was estimated at \$932,250. She anticipated one (1) more payment from the state. Based upon this estimated the state would receive \$632,855 and the City would receive \$299,395.

Ms. Orr noted that the law was structured regarding sales tax TIF. General Fund dollars must be distributed back first. There had not been surplus funds in the past. General Fund dollars were advanced by the state and the City. These sums would be reimbursed first. She acknowledged that this was not good news for the taxing districts.

Mr. Minter stated that the background information has been helpful.

Ms. Silva informed the Board that the audit would be completed by October 31, 2014. The City would provide financials. The City would call another meeting.

Mr. Stein questioned if the Market Sq. TIF would be considered successful.

Ms. Orr noted that the answer was difficult. With the passage of time, a lot had been learned about TIF and better use of same. There should be a coordinated effort on TIF. At this time, TIF were developed on a coordinated basis. The City's focus should be on infrastructure for the area being considered. The municipality has a responsibility to the other taxing districts.

Ms. Skillrud noted that the Board would meet again to close the TIF.

Ms. Orr noted that a report must be prepared which addressed where the dollars went. The law was silent regarding additional meetings. She suggested that the Board meet via teleconference.

Mr. Minter questioned the initiation of a TIF.

Ms. Orr noted that the City had only initiated a TIF in conjunction with a developer. The Town of Normal had a large number of active TIF. The City was in a disadvantaged position competitively. The current practice had been developer driven.

Ms. Silva added that the taxing districts must be in agreement.

Ms. Orr noted that the other taxing districts must be informed. If the joint review board vote failed, the Council would have to pass by a super majority vote.

Motion by Patti-Lynn Silva, seconded by Doug Minter to adjourn. Time: 10:31 a.m.

Motion carried, (viva voce).

Respectfully submitted,

Tracey Covert
City Clerk

CITY OF BLOOMINGTON, ILLINOIS
FINANCIAL REPORT AND REPORT ON
COMPLIANCE WITH PUBLIC ACT 85-1142

TAX INCREMENT FINANCING FUNDS

For the Year Ended
April 30, 2014





217.793.3363 // www.sikich.com

3201 W. White Oaks Dr., Suite 102
Springfield, Illinois 62704

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

**INDEPENDENT AUDITOR'S REPORT
ON SUPPLEMENTARY INFORMATION**

The Honorable Mayor
Members of the City Council
City of Bloomington, Illinois

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund and the aggregate remaining fund information of the City of Bloomington, Illinois as of and for the year ended April 30, 2014, which collectively comprise the basic financial statements of the City of Bloomington, Illinois, and have issued our report thereon dated October 30, 2014, which, based on our audit and the reports of other auditors, expressed an unmodified opinion on those statements.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Bloomington, Illinois' basic financial statements. The supplementary information (Balance Sheet, Schedule of Revenues, Expenditures and Changes in Fund Balance, and Schedule of Fund Balance by Source for the Tax Increment Financing Funds) is presented for the purpose of additional analysis and is not a required part of the basic financial statements.

The supplementary 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. Such 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 supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The accompanying schedules present only the Central Bloomington TIF Redevelopment Fund and the Market Square TIF Bond Redemption Fund and are not intended to present fairly the financial position and changes in financial position of the City of Bloomington, Illinois in conformity with accounting principles generally accepted in the United States of America.

A handwritten signature in cursive script that reads 'Sikich US'.

Springfield, Illinois
October 30, 2014



217.793.3363 // www.sikich.com

3201 W. White Oaks Dr., Suite 102
Springfield, Illinois 62704

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

INDEPENDENT ACCOUNTANT'S REPORT

The Honorable Mayor
Members of the City Council
City of Bloomington, Illinois

We have examined management's assertion, included in its representation letter dated October 30, 2014, that the City of Bloomington, Illinois, complied with the provisions of subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act (Illinois Public Act 85-1142) during the year ended April 30, 2014. Management is responsible for the City of Bloomington, Illinois' assertion and for compliance with those requirements. Our responsibility is to express an opinion on management's assertion about the City's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the City of Bloomington, Illinois' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the City of Bloomington, Illinois' compliance with statutory requirements.

In our opinion, management's assertion that the City of Bloomington, Illinois, complied with the aforementioned requirements for the year ended April 30, 2014, is fairly stated in all material respects.

This report is intended solely for the information and use of the Mayor, the City Council, management of the City, Illinois State Comptroller's office and the Joint Review Board and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in cursive script that reads "Sikich, CPAs".

Springfield, Illinois
October 30, 2014

CITY OF BLOOMINGTON, ILLINOIS

**BALANCE SHEET
TAX INCREMENT FINANCING FUNDS**

April 30, 2014

	<u>Central Bloomington TIF Redevelopment</u>	<u>Market Square TIF Bond Redemption</u>
ASSETS		
Cash and investments	\$ 8,120	\$ 951,729
TOTAL ASSETS	<u>\$ 8,120</u>	<u>\$ 951,729</u>
LIABILITIES AND FUND BALANCE		
LIABILITIES		
Accounts payable	<u>13,940</u>	<u>-</u>
FUND BALANCE (DEFICIT)		
Restricted		
Debt service	-	951,729
Unassigned	<u>(5,820)</u>	<u>-</u>
Total fund balance (deficit)	<u>(5,820)</u>	<u>951,729</u>
TOTAL LIABILITIES AND FUND BALANCE (DEFICIT)	<u>\$ 8,120</u>	<u>\$ 951,729</u>

See independent auditor's report.

CITY OF BLOOMINGTON, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
TAX INCREMENT FINANCING FUNDS**

For the Year Ended April 30, 2014

	<u>Central Bloomington TIF Redevelopment</u>	<u>Market Square TIF Bond Redemption</u>
REVENUES		
Taxes		
Incremental sales taxes	\$ -	\$ 74,795
Total revenues	<u>-</u>	<u>74,795</u>
EXPENDITURES		
Current		
Community development	61,312	-
Debt Service		
Interest and fiscal agent fees	<u>-</u>	<u>521</u>
Total expenditures	<u>61,312</u>	<u>521</u>
NET CHANGE IN FUND BALANCE	(61,312)	74,274
FUND BALANCE, MAY 1	<u>55,492</u>	<u>877,455</u>
FUND BALANCE (DEFICIT), APRIL 30	<u>\$ (5,820)</u>	<u>\$ 951,729</u>

See independent auditor's report.

CITY OF BLOOMINGTON, ILLINOIS

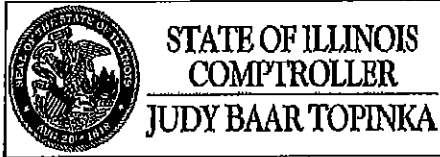
**SCHEDULE OF FUND BALANCE BY SOURCE
TAX INCREMENT FINANCING FUNDS**

For the Year Ended April 30, 2014

	<u>Central Bloomington TIF Redevelopment</u>	<u>Market Square TIF Bond Redemption</u>
FUND BALANCE, MAY 1, 2013	\$ 55,492	\$ 877,455
DEPOSITS		
Taxes		
Incremental sales taxes	-	74,795
Total deposits	-	74,795
Balance plus deposits	55,492	952,250
EXPENDITURES		
Current		
Community development	61,312	-
Debt Service		
Interest and fiscal agent fees	-	521
Total expenditures	61,312	521
FUND BALANCE (DEFICIT), APRIL 30, 2014	<u>\$ (5,820)</u>	<u>\$ 951,729</u>
FUND BALANCE (DEFICIT) BY SOURCE		
Incremental property tax	\$ (5,820)	\$ -
Incremental sales tax	-	951,729
Subtotal	(5,820)	951,729
Less surplus funds	-	-
FUND BALANCE (DEFICIT)	<u>\$ (5,820)</u>	<u>\$ 951,729</u>

See independent auditor's report.

FY 2014
ANNUAL TAX INCREMENT FINANCE
REPORT



Name of Municipality: City of Bloomington Reporting Fiscal Year: **2014**
 County: McLean Fiscal Year End: **4/30/2014**
 Unit Code: 064/025/30

TIF Administrator Contact Information

First Name: Patti-Lynn Last Name: Silva
 Address: 109 E. Olive Title: Finance Director
 Telephone: 309-434-2336 City: Bloomington Zip: 61702-3157
 Mobile _____ E-mail _____
 Mobile _____ Best way to Email _____ Phone _____
 Provider _____ contact Mobile _____ Mail _____

I attest to the best of my knowledge, this report of the redevelopment project areas in: City/Village of

 is complete and accurate at the end of this reporting Fiscal year under the Tax Increment Allocation Redevelopment Act [65 ILCS 5/11-74.4-3 et. seq.] Or the Industrial Jobs Recovery Law [65 ILCS 5/11-74.6-10 et. seq.]
Patti-Lynn Silva 11/14/14
 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

Name of Redevelopment Project Area	Date Designated	Date Terminated
Market Square	6/9/1986	

*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 2014

Name of Redevelopment Project Area:	Market Square
Primary Use of Redevelopment Project Area*:	Combination/Mixed
If "Combination/Mixed" List Component Types:	Retail and Commercial
Under which section of the Illinois Municipal Code was Redevelopment Project Area designated? (check one):	
Tax Increment Allocation Redevelopment Act <input checked="" type="checkbox"/>	Industrial Jobs Recovery Law <input type="checkbox"/>

	No	Yes
Were there any amendments to the redevelopment plan, the redevelopment project area, or the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (1) and 5/11-74.6-22 (d) (1)] If yes, please enclose the amendment labeled Attachment A	X	
Certification of the Chief Executive Officer of the municipality that the municipality has complied with all of the requirements of the Act during the preceding fiscal year. [65 ILCS 5/11-74.4-5 (d) (3) and 5/11-74.6-22 (d) (3)] Please enclose the CEO Certification labeled Attachment B		X
Opinion of legal counsel that municipality is in compliance with the Act. [65 ILCS 5/11-74.4-5 (d) (4) and 5/11-74.6-22 (d) (4)] Please enclose the Legal Counsel Opinion labeled Attachment C		X
Were there any activities undertaken in furtherance of the objectives of the redevelopment plan, including any project implemented in the preceding fiscal year and a description of the activities undertaken? [65 ILCS 5/11-74.4-5 (d) (7) (A and B) and 5/11-74.6-22 (d) (7) (A and B)] If yes, please enclose the Activities Statement labeled Attachment D	X	
Were any agreements entered into by the municipality with regard to the disposition or redevelopment of any property within the redevelopment project area or the area within the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (7) (C) and 5/11-74.6-22 (d) (7) (C)] If yes, please enclose the Agreement(s) labeled Attachment E	X	
Is there additional information on the use of all funds received under this Division and steps taken by the municipality to achieve the objectives of the redevelopment plan? [65 ILCS 5/11-74.4-5 (d) (7) (D) and 5/11-74.6-22 (d) (7) (D)] If yes, please enclose the Additional Information labeled Attachment F	X	
Did the municipality's TIF advisors or consultants enter into contracts with entities or persons that have received or are receiving payments financed by tax increment revenues produced by the same TIF? [65 ILCS 5/11-74.4-5 (d) (7) (E) and 5/11-74.6-22 (d) (7) (E)] If yes, please enclose the contract(s) or description of the contract(s) labeled Attachment G	X	
Were there any reports or meeting minutes submitted to the municipality by the joint review board? [65 ILCS 5/11-74.4-5 (d) (7) (F) and 5/11-74.6-22 (d) (7) (F)] If yes, please enclose the Joint Review Board Report labeled Attachment H		X
Were any obligations issued by municipality? [65 ILCS 5/11-74.4-5 (d) (8) (A) and 5/11-74.6-22 (d) (8) (A)] If yes, please enclose the Official Statement labeled Attachment I	X	
Was analysis prepared by a financial advisor or underwriter setting forth the nature and term of obligation and projected debt service including required reserves and debt coverage? [65 ILCS 5/11-74.4-5 (d) (8) (B) and 5/11-74.6-22 (d) (8) (B)] If yes, please enclose the Analysis labeled Attachment J	X	
Cumulatively, have deposits equal or greater than \$100,000 been made into the special tax allocation fund? [65 ILCS 5/11-74.4-5 (d) (2) and 5/11-74.6-22 (d) (2)] If yes, please enclose Audited financial statements of the special tax allocation fund labeled Attachment K		X
Cumulatively, have deposits of incremental revenue equal to or greater than \$100,000 been made into the special tax allocation fund? [65 ILCS 5/11-74.4-5 (d) (9) and 5/11-74.6-22 (d) (9)] If yes, please enclose a certified letter statement reviewing compliance with the Act labeled Attachment L		X
A list of all intergovernmental agreements in effect in FY 2010, to which the municipality is a part, and an accounting of any money transferred or received by the municipality during that fiscal year pursuant to those intergovernmental agreements. [65 ILCS 5/11-74.4-5 (d) (10)] If yes, please enclose list only of the intergovernmental agreements labeled Attachment M	X	

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

SECTION 3.1 - (65 ILCS 5/11-74.4-5 (d) (6) and 65 ILCS 5/11-74.6-22 (d) (6))

Provide an analysis of the special tax allocation fund.

FY 2014

TIF NAME: Market Square

Fund Balance at Beginning of Reporting Period

\$ 877,455

Revenue/Cash Receipts Deposited in Fund During Reporting FY:	Reporting Year	Cumulative*	% of Total
Property Tax Increment		\$ 5,764,326	32%
State Sales Tax Increment	\$ 74,795	\$ 972,955	5%
Local Sales Tax Increment		\$ 460,291	3%
State Utility Tax Increment			0%
Local Utility Tax Increment			0%
Interest		\$ 274,802	2%
Land/Building Sale Proceeds		\$ 1,245,404	7%
Bond Proceeds		\$ 7,340,311	41%
Transfers from Municipal Sources		\$ 1,806,279	10%
Private Sources			0%
Other (Identify source _____; if multiple other sources, attach schedule)			0%

*must be completed where "Reporting Year" is populated

Total Amount Deposited in Special Tax Allocation Fund During Reporting Period

\$ 74,795

Cumulative Total Revenues/Cash Receipts

\$ 17,864,368 100%

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

\$ 521

Distribution of Surplus

Total Expenditures/Disbursements

\$ 521

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

\$ 74,274

FUND BALANCE, END OF REPORTING PERIOD*

\$ 951,729

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

SURPLUS*/(DEFICIT)(Carried forward from Section 3.3)

\$ 951,729

SECTION 3.2 A

PAGE 3

14. Costs of reimbursing private developers for interest expenses incurred on approved redevelopment projects. Subsection (q)(11)(A-E) and (o)(13)(A-E)		
		\$ -
15. Costs of construction of new housing units for low income and very low-income households. Subsection (q)(11)(F) - Tax Increment Allocation Redevelopment TIFs ONLY		
		\$ -
16. Cost of day care services and operational costs of day care centers. Subsection (q) (11.5) - Tax Increment Allocation Redevelopment TIFs ONLY		
		\$ -
TOTAL ITEMIZED EXPENDITURES		\$ 521

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

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

FY 2014

TIF NAME: Market Square

FUND BALANCE, END OF REPORTING PERIOD

\$ 951,729

	Amount of Original Issuance	Amount Designated
1. Description of Debt Obligations		

Total Amount Designated for Obligations

\$ - \$ -

2. Description of Project Costs to be Paid

Total Amount Designated for Project Costs

\$ -

TOTAL AMOUNT DESIGNATED

\$ -

SURPLUS*/(DEFICIT)

\$ 951,729

* NOTE: If a surplus is calculated, the municipality may be required to repay the amount to overlapping taxing

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

FY 2014

TIF NAME: Market Square

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

No property was acquired by the Municipality Within the Redevelopment Project Area

Property Acquired by the Municipality Within the Redevelopment Project Area

Property (1):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (2):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (3):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (4):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

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

PAGE 1

FY 2014

TIF NAME: Market Square

SECTION 5 PROVIDES PAGES 1-3 TO ACCOMMODATE UP TO 25 PROJECTS. PAGE 1 MUST BE INCLUDED WITH TIF REPORT. PAGES 2-3 SHOULD BE INCLUDED ONLY IF PROJECTS ARE LISTED ON THESE PAGES

Check here if <u>NO</u> projects were undertaken by the Municipality Within the Redevelopment Project Area: _____			
ENTER total number of projects undertaken by the Municipality Within the Redevelopment Project Area and list them in detail below". 1			
TOTAL:	11/1/89 to Date	Estimated Investment for Subsequent Fiscal Year	Total Estimated to Complete Project
Private Investment Undertaken (See Instructions)	\$ -	\$ -	\$ -
Public Investment Undertaken	\$ 7,340,000	\$ -	\$ 7,340,000
Ratio of Private/Public Investment	0		0

Project 1: *IF PROJECTS ARE LISTED NUMBER MUST BE ENTERED ABOVE

Infrastructure Market Square			
Private Investment Undertaken (See Instructions)			\$ -
Public Investment Undertaken	\$ 7,340,000		\$ 7,340,000
Ratio of Private/Public Investment	0		0

Project 2:

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

Project 3:

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

Project 4:

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

Project 5:

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

Project 6:

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

Project 7:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 8:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 9:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 10:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 11:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 12:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 13:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 14:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 15:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 16:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 17:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 18:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 19:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 20:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 21:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 22:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 23:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 24:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 25:			
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 complete TIF report

SECTION 6

FY 2014

TIF NAME: Market Square

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

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

The overlapping taxing districts did not receive a surplus.

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

SECTION 7

Provide information about job creation and retention

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

SECTION 8

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

--

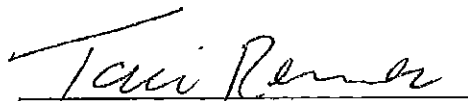
Optional Documents	Enclosed
Legal description of redevelopment project area	
Map of District	

CITY OF BLOOMINGTON

Unit Code: 064/025/30

CERTIFICATION OF CHIEF EXECUTIVE OFFICER

I, Tari Renner, Mayor of the City of Bloomington, McLean County, Illinois, certify that the City has complied with all of the requirements of the *Tax Increment Allocation Redevelopment Act*, 65 ILCS 5/11-74.4-1 *et seq.*, during the fiscal year ending April 30, 2014, in connection with the administration of the Tax Increment Project Area for the City's Market Square Tax Increment Financing District.


Tari Renner, Mayor

ATTACHMENT B

LAW OFFICE
KATHLEEN FIELD ORR & ASSOCIATES
53 WEST JACKSON BOULEVARD
SUITE 964
CHICAGO, ILLINOIS 60604
(312) 382-2113
(312) 382-2127 facsimile

KATHLEEN FIELD ORR
kfo@kfoassoc.com

November 17, 2014

Judy Baar Topinka, State Comptroller
State of Illinois Building
100 West Randolph Street
Suite 15-500
Chicago, Illinois 60601

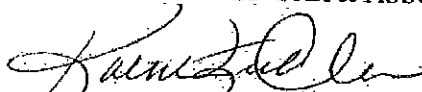
Dear Ms. Topinka:

I have acted as Special Counsel for the City of Bloomington, McLean County, Illinois, in connection with the administration of the Market Square Tax Increment Redevelopment Project Area.

I have reviewed all information provided to me by the Mayor and City Clerk and, to the best of my knowledge and belief, find that the City has conformed with all of the applicable provisions of the *Tax Increment Allocation Redevelopment Act*, 65 ILCS 5/11-74.4-1, *et seq.*, for the fiscal year ending April 30, 2014.

Very truly yours,

KATHLEEN FIELD ORR & ASSOCIATES



Kathleen Field Orr

ATTACHMENT C

ANNUAL JOINT REVIEW BOARD
CITY OF BLOOMINGTON

Central Bloomington Redevelopment Project Area
Market Square Redevelopment Project Area

September 5, 2014

City staff present: Patti-Lynn Silva, Director of Finance, Paulette Hurd, Chief Accountant, and Tracey Covert, City Clerk.

Local Governmental Unit representatives present: Deb Skillrud, Town of the City of Bloomington – Township Supervisor; Diane Andes Finney, Bloomington Normal Airport Authority (BNAA) – Chief Financial Officer; Randy Stein, Bloomington Normal Water Reclamation District (BNWRD) – Executive Director; and Doug Minter, Heartland Community College – Vice President – Business Services.

Others present: Kathy Orr, Kathleen Field Orr & Associates, (legal counsel).

The meeting was called to order at City Hall at 10:04 a.m.

Patti-Lynn Silva, Finance Director, called the Annual Joint Review Board meeting to order. She noted that an agenda had been prepared. She stated that the Board needed to appoint/reappoint a public member.

Kathy Orr, Kathleen Field Orr & Associates, (outside legal counsel), participated via telephone. She noted that this appointment was important and required by statute. She added that this was an annual review. There would be no vote. This was the annual meeting which was for reporting purposes.

Ms. Orr addressed Board membership which consisted of six (6) individuals. The following entities were a part of the Board: the City, McLean County, Heartland Community College, (community college); and McLean County Unit 5 and District 87, (two/2 public school districts); and a public member. There were additional taxing districts, (i.e. BNWRD and BNAA), which must be notified but who do not participate as a voting member.

Motion by Doug Minter, seconded by Patti Lynn Silva to appoint Randy Stein as the public member.

Motion carried, (viva voce).

Ms. Orr noted that the Board needed to appoint a chairperson.

Motion by Deb Skillrud, seconded by Doug Minter to appoint Patti-Lynn Silva as chairman.

Motion carried, (viva voce).

Ms. Orr addressed the Board regarding the Central Bloomington Redevelopment Area TIF, (Tax Increment Financing). This TIF had been left open due to litigation. She informed those present that the City had prevailed in court. This had occurred yesterday afternoon. David Bentley has threatened to appeal. She noted that due to this lawsuit no money could be distributed.

Ms. Silva informed those present that the FY 2013 year end balance had been \$55,000.

Ms. Orr noted that Mr. Bentley had thirty-five (35) days to file an appeal.

Paulette Hurd, Chief Accountant, addressed the Board. She believed that all remaining funds had been depleted, (i.e. legal fees).

Ms. Orr noted that any further legal action would require use of the City's General Fund to cover these costs.

Ms. Skillrud questioned the balance of the Downtown TIF.

Ms. Silva restated that fund balance was zero. She cited the legal fees from the Bentley lawsuit. A TIF has a life of twenty-three (23) years.

Ms. Silva noted that the purpose of the meeting was to review the annual reports for two (2) Tax Increment Financing (TIF) Districts – Market Square and Central Bloomington. This review would include revenues and expenditures.

Ms. Silva, Finance Director, directed the Board to Market Square Annual Tax Increment Finance Report for 2013. The end date for this report was April 30, 2013. She directed the Board to page 3, Fund Balance, End of Reporting Period: \$877,455. A debt of \$1.2 million needed to be paid. Review was also listed on page 3, Total Amount Deposited in Special Tax Allocation Fund During Reporting Period: \$488,886. She referred to the audit performed by Sikich: City of Bloomington, Illinois, Financial Report and Report on Compliance with Public Act 85 – 1142, Tax Increment Financing Funds, for the Year Ended April 30, 2013. She directed the Board to page 4 which confirmed the fund balance, Total Assets: \$877,455. This balance would be held for debt service. She directed the Board to page 5 which addressed Revenues. Total revenues: \$488,886 and total expenditures: \$1,204,411. The net income resulted in change of fund balance from May 1, 2012: \$1,592,980 to April 30, 2013: \$877,455.

Ms. Hurd addressed the Balance Sheet - \$877,605. The Income Statement reflected that the debt had been paid. There would be no additional revenue. The City was ready to close this TIF.

Ms. Orr noted that for the taxing districts incremental revenue was over. The information presented addressed what had been down with the TIF revenue. Obligations had to be

paid for. Any left over balance would be distributed. The TIF would be closed and there would be no additional activity. The law was silent at this point. The City was required to provide the financial report. However a meeting was not required.

Ms. Silva noted that this was a sales tax TIF.

Ms. Orr noted that sales tax TIF could be difficult. Any remaining funds would go the state first.

Ms. Silva noted that Ms. Hurd had prepared preliminary numbers. Ms. Hurd reported same, (Preliminary draft of Surplus Funds Distribution Calculation for the Termination of a TIF District).

Ms. Hurd added that the sales tax TIF remaining balance would be divided between the state and the City, (67.9% versus 32.1%). Surplus revenue was estimated at \$932,250. She anticipated one (1) more payment from the state. Based upon this estimated the state would receive \$632,855 and the City would receive \$299,395.

Ms. Orr noted that the law was structured regarding sales tax TIF. General Fund dollars must be distributed back first. There had not been surplus funds in the past. General Fund dollars were advanced by the state and the City. These sums would be reimbursed first. She acknowledged that this was not good news for the taxing districts.

Mr. Minter stated that the background information has been helpful.

Ms. Silva informed the Board that the audit would be completed by October 31, 2014. The City would provide financials. The City would call another meeting.

Mr. Stein questioned if the Market Sq. TIF would be considered successful.

Ms. Orr noted that the answer was difficult. With the passage of time, a lot had been learned about TIF and better use of same. There should be a coordinated effort on TIF. At this time, TIF were developed on a coordinated basis. The City's focus should be on infrastructure for the area being considered. The municipality has a responsibility to the other taxing districts.

Ms. Skillrud noted that the Board would meet again to close the TIF.

Ms. Orr noted that a report must be prepared which addressed where the dollars went. The law was silent regarding additional meetings. She suggested that the Board meet via teleconference.

Mr. Minter questioned the initiation of a TIF.

Ms. Orr noted that the City had only initiated a TIF in conjunction with a developer. The Town of Normal had a large number of active TIF. The City was in a disadvantaged position competitively. The current practice had been developer driven.

Ms. Silva added that the taxing districts must be in agreement.

Ms. Orr noted that the other taxing districts must be informed. If the joint review board vote failed, the Council would have to pass by a super majority vote.

Motion by Patti-Lynn Silva, seconded by Doug Minter to adjourn. Time: 10:31 a.m.

Motion carried, (viva voce).

Respectfully submitted,

Tracey Covert
City Clerk

CITY OF BLOOMINGTON, ILLINOIS
FINANCIAL REPORT AND REPORT ON
COMPLIANCE WITH PUBLIC ACT 85-1142
TAX INCREMENT FINANCING FUNDS

For the Year Ended
April 30, 2014





3201 W. White Oaks Dr., Suite 102
Springfield, Illinois 62704

217.793.9363 // www.sikich.com

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

INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY INFORMATION

The Honorable Mayor
Members of the City Council
City of Bloomington, Illinois

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund and the aggregate remaining fund information of the City of Bloomington, Illinois as of and for the year ended April 30, 2014, which collectively comprise the basic financial statements of the City of Bloomington, Illinois, and have issued our report thereon dated October 30, 2014, which, based on our audit and the reports of other auditors, expressed an unmodified opinion on those statements.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Bloomington, Illinois' basic financial statements. The supplementary information (Balance Sheet, Schedule of Revenues, Expenditures and Changes in Fund Balance, and Schedule of Fund Balance by Source for the Tax Increment Financing Funds) is presented for the purpose of additional analysis and is not a required part of the basic financial statements.

The supplementary 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. Such 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 supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The accompanying schedules present only the Central Bloomington TIF Redevelopment Fund and the Market Square TIF Bond Redemption Fund and are not intended to present fairly the financial position and changes in financial position of the City of Bloomington, Illinois in conformity with accounting principles generally accepted in the United States of America.

A handwritten signature in cursive script that reads "Sikich US".

Springfield, Illinois
October 30, 2014



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Springfield, Illinois 62704

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Certified Public Accountants & Advisors
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INDEPENDENT ACCOUNTANT'S REPORT

The Honorable Mayor
Members of the City Council
City of Bloomington, Illinois

We have examined management's assertion, included in its representation letter dated October 30, 2014, that the City of Bloomington, Illinois, complied with the provisions of subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act (Illinois Public Act 85-1142) during the year ended April 30, 2014. Management is responsible for the City of Bloomington, Illinois' assertion and for compliance with those requirements. Our responsibility is to express an opinion on management's assertion about the City's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the City of Bloomington, Illinois' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the City of Bloomington, Illinois' compliance with statutory requirements.

In our opinion, management's assertion that the City of Bloomington, Illinois, complied with the aforementioned requirements for the year ended April 30, 2014, is fairly stated in all material respects.

This report is intended solely for the information and use of the Mayor, the City Council, management of the City, Illinois State Comptroller's office and the Joint Review Board and is not intended to be and should not be used by anyone other than these specified parties.

Sikich US

Springfield, Illinois
October 30, 2014

CITY OF BLOOMINGTON, ILLINOIS

**BALANCE SHEET
TAX INCREMENT FINANCING FUNDS**

April 30, 2014

	<u>Central Bloomington TIF Redevelopment</u>	<u>Market Square TIF Bond Redemption</u>
ASSETS		
Cash and investments	\$ 8,120	\$ 951,729
TOTAL ASSETS	<u>\$ 8,120</u>	<u>\$ 951,729</u>
LIABILITIES AND FUND BALANCE		
LIABILITIES		
Accounts payable	<u>13,940</u>	<u>-</u>
FUND BALANCE (DEFICIT)		
Restricted		
Debt service	-	951,729
Unassigned	<u>(5,820)</u>	<u>-</u>
Total fund balance (deficit)	<u>(5,820)</u>	<u>951,729</u>
TOTAL LIABILITIES AND FUND BALANCE (DEFICIT)	<u>\$ 8,120</u>	<u>\$ 951,729</u>

See independent auditor's report.

CITY OF BLOOMINGTON, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
TAX INCREMENT FINANCING FUNDS**

For the Year Ended April 30, 2014

	Central Bloomington TIF Redevelopment	Market Square TIF Bond Redemption
REVENUES		
Taxes		
Incremental sales taxes	\$ -	\$ 74,795
Total revenues	-	74,795
EXPENDITURES		
Current		
Community development	61,312	-
Debt Service		
Interest and fiscal agent fees	-	521
Total expenditures	61,312	521
NET CHANGE IN FUND BALANCE	(61,312)	74,274
FUND BALANCE, MAY 1	55,492	877,455
FUND BALANCE (DEFICIT), APRIL 30	<u>\$ (5,820)</u>	<u>\$ 951,729</u>

See independent auditor's report.

CITY OF BLOOMINGTON, ILLINOIS

**SCHEDULE OF FUND BALANCE BY SOURCE
TAX INCREMENT FINANCING FUNDS**

For the Year Ended April 30, 2014

	<u>Central Bloomington TIF Redevelopment</u>	<u>Market Square TIF Bond Redemption</u>
FUND BALANCE, MAY 1, 2013	\$ 55,492	\$ 877,455
DEPOSITS		
Taxes		
Incremental sales taxes	-	74,795
Total deposits	-	74,795
Balance plus deposits	55,492	952,250
EXPENDITURES		
Current		
Community development	61,312	-
Debt Service		
Interest and fiscal agent fees	-	521
Total expenditures	61,312	521
FUND BALANCE (DEFICIT), APRIL 30, 2014	<u>\$ (5,820)</u>	<u>\$ 951,729</u>
FUND BALANCE (DEFICIT) BY SOURCE		
Incremental property tax	\$ (5,820)	\$ -
Incremental sales tax	-	951,729
Subtotal	(5,820)	951,729
Less surplus funds	-	-
FUND BALANCE (DEFICIT)	<u>\$ (5,820)</u>	<u>\$ 951,729</u>

See independent auditor's report.

April 30, 2015

Illinois Department of Revenue
Local Tax Allocation Division MC 3-500
101 W. Jefferson St.
Springfield, IL 62702

RE: City of Bloomington -- Downtown Bloomington 064/025/30

The City Council approved the closure of the Downtown Bloomington TIF District Fund on 4/27/2015. A copy of the approved ordinance is enclosed for your records. There are no surplus funds to distribute.

We will prepare the final TIF report for the City's fiscal year end that ends on April 30, 2015 and file it with the State Comptroller's Office.

If you have any questions or need further information, please contact me at 309-434-2335 or phurd@cityblm.org.

Sincerely,



Paulette Hurd, CPA
Chief Accountant
City of Bloomington

Ordinance No.2015 - 19

**AN ORDINANCE OF THE CITY OF BLOOMINGTON, MCLEAN COUNTY,
ILLINOIS, DISSOLVING THE DOWNTOWN SPECIAL TAX ALLOCATION FUND
AND TERMINATING THE DESIGNATION OF THE DOWNTOWN BLOOMINGTON
REDEVELOPMENT PROJECT AREA**

WHEREAS, the City of Bloomington, McLean County, Illinois (the "City"), is a duly organized and validly existing home-rule municipality created in accordance with the Constitution of the State of Illinois of 1970 and the laws of the State, and as a home rule unit may, under the powers granted by Section 6(a) of Article VII of the Constitution of the State of Illinois of 1970, "exercise any power and perform any function pertaining to its government and affairs"; and,

WHEREAS, pursuant to their powers and in accordance with the requirements of the Tax Increment Allocation Redevelopment Act of the State of Illinois, 65 ILCS 5/11-74.4-1 *et seq.*, as from time to time amended (the "TIF Act"), the Mayor and City Council of the City (the "Corporate Authorities"), pursuant to Ordinance Nos. 1986-187, 1986-188, and 1986-189, respectively, adopted by the Corporate Authorities on December 22, 1986, designated a "redevelopment project area" known as the "Downtown Bloomington Redevelopment Project Area" (the "Project Area"); adopted tax increment allocation financing for the Project Area, and, in connection therewith, established the Downtown Special Tax Allocation Fund (the "Special Tax Allocation Fund"); and adopted and approved the Downtown Bloomington Tax Increment Redevelopment Plan; and,

WHEREAS, pending the outcome of litigation, the Corporate Authorities determined that the Special Tax Allocation Fund should remain open in order to pay all outstanding obligations; and,

WHEREAS, the Corporate Authorities have now paid or provided for all of the obligations incurred in connection with the designation of the Project Area; and,

WHEREAS, the Corporate Authorities have heretofore and hereby expressly determine that it is desirable and in the best interests of the City and all taxing districts having jurisdiction that the Special Tax Allocation Fund be dissolved and the designation of the Project Area be terminated.

NOW, THEREFORE BE IT ORDAINED by the Mayor and City Council of the City of Bloomington, McLean County, Illinois, by and through its home rule powers, as follows:

Section 1. The Incorporation of Preambles. The Corporate Authorities hereby find that all of the recitals contained in the preambles to this Ordinance are true and correct and do hereby incorporate them into this Ordinance by this reference.

Section 2. Special Tax Allocation Fund Dissolved. The Downtown Special Tax Allocation Fund is hereby dissolved.

Section 3. Designation of Project Area Terminated. The designation of the Downtown Bloomington Redevelopment Project Area is confirmed to have been terminated as of December 21, 2009.

Section 4. Repealer. All ordinances, resolutions, orders or parts thereof, in conflict with the provisions of this Ordinance are, to the extent of such conflict, hereby repealed.

Section 5. Effective Date. This Ordinance shall be in full force and effect upon its passage and approval, as provided by law.


PASSED this 27th day of April, 2015.

AYES: 9

NAYS: 0

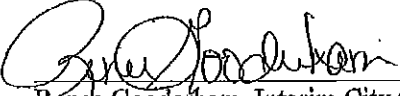
ABSENT: 0

APPROVED:



Tari, Renner, Mayor

ATTEST:



Renee Gooderham, Interim City Clerk