FY 2021
ANNUAL TAX INCREMENT FINANCE
REPORT

STATE OF ILLINOIS
COMPTROLLER
SUSANA A. MENDOZA

Name of Municipality:	**City of Naperville**	Reporting Fiscal Year:	**2021**
County:	Dupage	Fiscal Year End:	**12/31/2021**
Unit Code:	**022/080/030**		

FY 2021 TIF Administrator Contact Information					
First Name:	**Rachel**	Last Name:	**Mayer**		
Address:	400 S. Eagle St	Title:	Finance Director/City Treasurer		
Telephone:	630-420-6052	City:	Naperville	Zip:	60540
E-mail-required	**MayerR@naperville.il.us**				

I attest to the best of my knowledge, that this FY 2021 report of the redevelopment project area(s)

in the **City/Village** of: **Naperville**

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.].

Rachel Mayer 7/5/2022

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 DISTICT		
Name of Redevelopment Project Area	**Date Designated MM/DD/YYYY**	**Date Terminated MM/DD/YYYY**
Water Street TIF	12/4/2007	

*All statutory citations refer to one of two sections of the Illinois Municipal Code: The Tax Increment Allocation Redevelopment Act [65 ILCS 5/11-74.4-3 et. seq.] or the Industrial Jobs Recovery Law [65 ILCS 5/11-74.6-10 et. seq.]

SECTION 2 [Sections 2 through 5 must be completed for each redevelopment project area listed in Section 1.]
FY 2021

Name of Redevelopment Project Area (below):
Water Street TIF
Primary Use of Redevelopment Project Area*:

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

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	**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 (labled 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 ***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 the 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 MUST 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 2021

Water Street TIF

Special Tax Allocation Fund Balance at Beginning of Reporting Period	$ 50,356

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	$ 359,033	$ 2,057,048	15%
State Sales Tax Increment			0%
Local Sales Tax Increment			0%
State Utility Tax Increment			0%
Local Utility Tax Increment			0%
Interest	$ (2,674)	$ 465,594	3%
Land/Building Sale Proceeds			0%
Bond Proceeds		$ 9,802,132	73%
Transfers from Municipal Sources		$ 1,089,519	8%
Private Sources			0%
			0%

All Amount Deposited in Special Tax Allocation Fund	$ 356,359		
Cumulative Total Revenues/Cash Receipts		$ 13,414,293	100%
Total Expenditures/Cash Disbursements (Carried forward from Section 3.2)	$ 3,800		
Transfers to Municipal Sources	$ 359,033		
Distribution of Surplus			
Total Expenditures/Disbursements	$ 362,833		
Net/Income/Cash Receipts Over/(Under) Cash Disbursements	$ (6,474)		
Previous Year Adjustment (Explain Below)	$ -		
FUND BALANCE, END OF REPORTING PERIOD*	$ 43,882		

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

Previous Year Explanation:

SECTION 3.2 A- (65 ILCS 5/11-74.4-5 (d) (5) (c) and 65 ILCS 5/11-74.6-22 (d) (5)(c))

FY 2021

TIF NAME: Water Street TIF

ITEMIZED LIST OF ALL EXPENDITURES FROM THE SPECIAL TAX ALLOCATION FUND
(by category of permissible redevelopment project costs)

PAGE 1

Category of Permissible Redevelopment Cost [65 ILCS 5/11-74.4-3 (q) and 65 ILCS 5/11-74.6-10 (o)]	Amounts	Reporting Fiscal Year
1. Cost of studies, surveys, development of plans, and specifications. Implementation and administration of the redevelopment plan, staff and professional service cost.		
		$ -
2. Annual administrative cost.		
Annual Audit Fees	3,800	
		$ 3,800
3. Cost of marketing sites.		
		$ -
4. Property assembly cost and site preparation costs.		
		$ -
5. Costs of renovation, rehabilitation, reconstruction, relocation, repair or remodeling of existing public or private building, leasehold improvements, and fixtures within a redevelopment project area.		
		$ -
6. Costs of the constructuion of public works or improvements.		
		$ -

SECTION 3.2 A		
PAGE 2		
7. Costs of eliminating or removing contaminants and other impediments.		
		$ -
8. Cost of job training and retraining projects.		
		$ -
9. Financing costs.		
		$ -
10. Capital costs.		
		$ -
11. Cost of reimbursing school districts for their increased costs caused by TIF assisted housing projects.		
		$ -
12. Cost of reimbursing library districts for their increased costs caused by TIF assisted housing projects.		
		$ -

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		**$ 3,800**

Section 3.2 B

FY 2021

TIF NAME: **Water Street TIF**

Optional: Information in the following sections is not required by law, but would be helpful in creating fiscal transparency.

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

Name	Service	Amount

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

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

FY 2021

TIF NAME: **Water Street TIF**

FUND BALANCE BY SOURCE $ 43,882

	Amount of Original Issuance	Amount Designated
1. Description of Debt Obligations		
GO Bond - 2014 Series	$ 8,594,399	$ 5,605,138
GO Bond - 2016 Series	$ 4,710,326	$ 3,888,625
Total Amount Designated for Obligations	$ 13,304,725	$ 9,493,763

2. Description of Project Costs to be Paid

Total Amount Designated for Project Costs $ -

TOTAL AMOUNT DESIGNATED $ 9,493,763

SURPLUS/(DEFICIT) $ (9,449,881)

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

FY 2021

TIF NAME: **Water Street TIF**

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

Check here if no property was acquired by the Municipality within the Redevelopment Project Area.

Property Acquired by the Municipality Within the Redevelopment Project Area.

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

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

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

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

Property (5):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (6):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (7):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

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

SECTION 5 - 20 ILCS 620/4.7 (7)(F)
PAGE 1

FY 2021

TIF Name: **Water Street TIF**

Page 1 is to be included with TIF report. Pages 2 and 3 are to be included **ONLY** if projects are listed.

Select ONE of the following by indicating an 'X':

1. NO projects were undertaken by the Municipality Within the Redevelopment Project Area.	

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:	3

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)	$ 85,138,980	$ -	$ 85,138,980
Public Investment Undertaken	$ 15,574,936	$ -	$ 15,574,936
Ratio of Private/Public Investment	5 7/15		5 7/15

*PROJECT NAME TO BE LISTED AFTER PROJECT NUMBER

Project 1*: Developer Site & Building Costs

Private Investment Undertaken (See Instructions)	$ 82,581,858	$ -	$ 82,581,858
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 2*: City Infrastructure Costs

Private Investment Undertaken (See Instructions)	$ -	$ -	$ -
Public Investment Undertaken	$ 8,139,336	$ -	$ 8,139,336
Ratio of Private/Public Investment	0		0

Project 3*: Parking Deck Construction

Private Investment Undertaken (See Instructions)	$ 2,557,122	$ -	$ 2,557,122
Public Investment Undertaken	$ 7,435,600	$ -	$ 7,435,600
Ratio of Private/Public Investment	11/32		11/32

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

PAGE 2 **ATTACH ONLY IF PROJECTS ARE LISTED**

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

PAGE 3 **ATTACH ONLY IF PROJECTS ARE LISTED**

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 the complete TIF report**

SECTION 6
FY 2021

TIF NAME: **Water Street TIF**

Provide the base EAV (at the time of designation) and the EAV for the year reported for the redevelopment project area

Year redevelopment project area was designated	Base EAV	Reporting Fiscal Year EAV
2007	$ 1,804,863	$ 6,284,130

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

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

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

SECTION 7
Provide information about job creation and retention:

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

SECTION 8
Provide a general description of the redevelopment project area using only major boundaries:

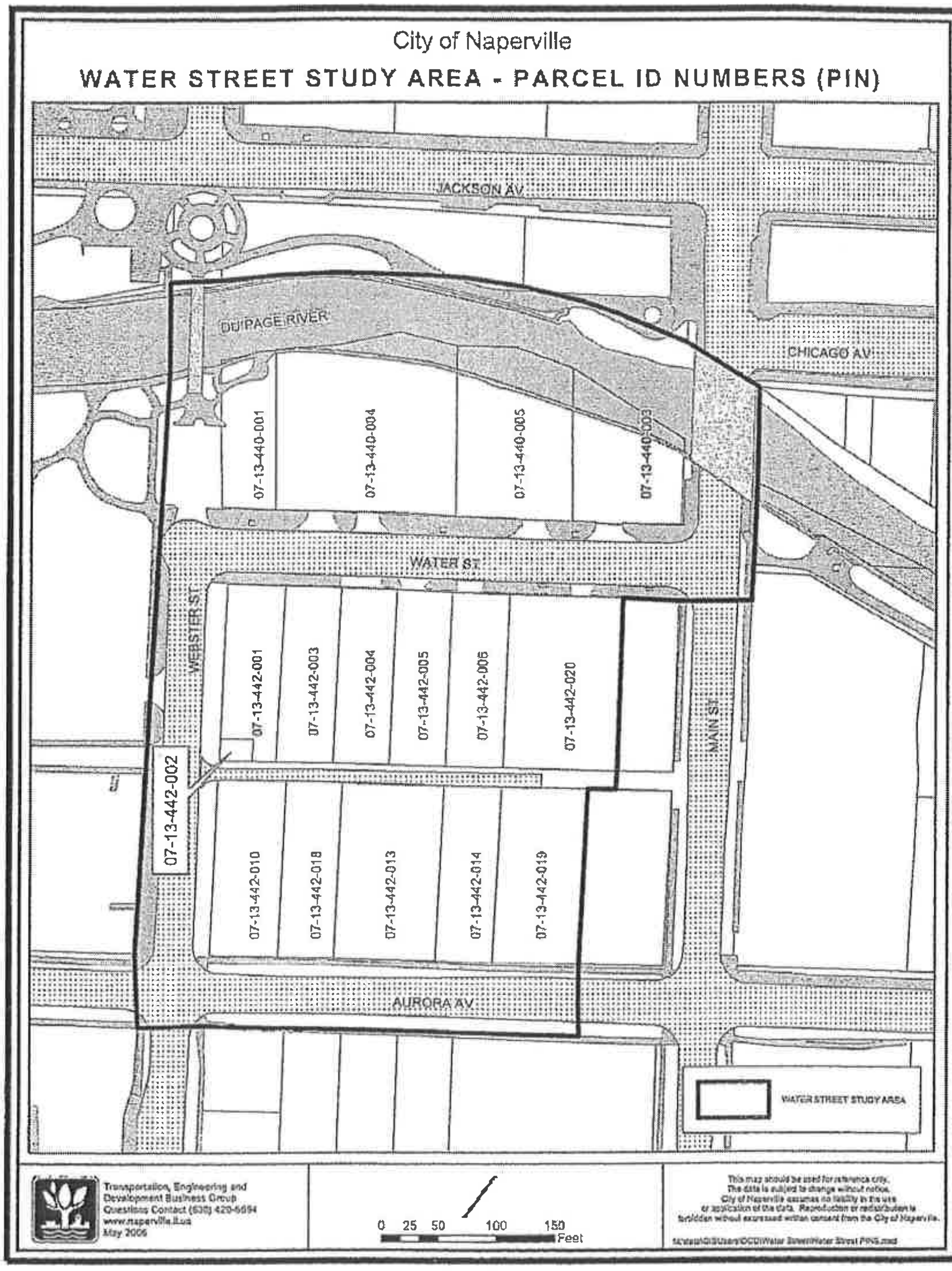
Main St (east) to Webster Ave (west); Dupage River (north) to Aurora Ave (south)

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

WATER STREET TIF DISTRICT
LEGAL DESCRIPTION

LOTS 1, 2, 3, 4, 5, 6, 7 AND 8 IN BLOCK 1, AND LOTS 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14 AND THE WEST HALF OF LOT 15 IN BLOCK 4, ALL IN MARTIN'S ADDITION TO NAPERVILLE, BEING A SUBDIVISION OF PART OF THE SOUTHEAST QUARTER OF SECTION 13, TOWNSHIP 38 NORTH, RANGE 9 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED FEBRUARY 6, 1847 AS DOCUMENT 2584, IN DUPAGE COUNTY, ILLINOIS

TOGETHER WITH ALL OF WATER STREET LYING NORTH OF THE NORTH LINE OF BLOCK 4 AFORESAID, AND ALL OF WEBSTER STREET LYING NORTH OF THE SOUTH RIGHT-OF-WAY LINE OF AURORA AVENUE AND LYING WEST OF BLOCKS 1 AND 4 AFORESAID, AND ALL OF AURORA AVENUE LYING SOUTH OF THE SOUTH LINE OF BLOCK 4 AFORESAID AND LYING WEST OF THE SOUTHERLY EXTENSION OF THE WEST LINE OF THE EAST HALF OF LOT 15 IN BLOCK 4 AFORESAID, AND ALL OF THE PUBLIC ALLEY (FORMERLY PLATTED AS SQUAW LAIN) LYING WITHIN BLOCK 4 AFORESAID LYING WEST OF THE SOUTHERLY EXTENSION OF THE WEST LINE OF LOT 1 IN SAID BLOCK 4, AND ALL OF MAIN STREET LYING NORTH OF THE EASTERLY EXTENSION OF THE NORTH LINE OF BLOCK 4 AFORESAID, AND ALL OF THE DUPAGE RIVER LYING EAST OF THE NORTHERLY EXTENSION OF THE WEST RIGHT-OF-WAY LINE OF SAID WEBSTER STREET AND LYING WEST OF THE NORTHERLY EXTENSION OF THE EAST RIGHT-OF-WAY LINE OF SAID MAIN STREET AND LYING NORTH OF THE NORTH LINE OF BLOCK 1 AFORESAID, ALL IN DUPAGE COUNTY, ILLINOIS.



City of Naperville
WATER STREET STUDY AREA - PARCEL ID NUMBERS (PIN)
JACKSON AV
DU PAGE RIVER
CHICAGO AV
WATER ST
WEBSTER ST
MAIN ST
AURORA AV
07-13-440-001
07-13-440-004
07-13-440-005
07-13-440-003
07-13-442-001
07-13-442-003
07-13-442-004
07-13-442-005
07-13-442-006
07-13-442-020
07-13-442-002
07-13-442-010
07-13-442-018
07-13-442-013
07-13-442-014
07-13-442-019
WATER STREET STUDY AREA
Transportation, Engineering and Development Business Group
Questions Contact (630) 420-6094
www.naperville.il.us
May 2006
0 25 50 100 150
Feet

Attachment B: CEO Certification

NAPERVILLE WATER STREET TIF DISTRICT FY2021

I, Douglas A. Krieger, the City Manager, serving as the Chief Executive Officer of the City of Naperville, Counties of DuPage and Will, State of Illinois, do hereby certify that to the best of my knowledge, the City of Naperville complied with the requirements pertaining to the Illinois Tax Increment Redevelopment Allocation Act during the reporting period beginning January 1, 2021 and ending on December 31, 2021.

Douglas A. Krieger, City Manager

6/21/22

Date

Attachment C: Legal Opinion

NAPERVILLE WATER STREET TIF DISTRICT FY2021

I, Michael DiSanto, the City Attorney of the City of Naperville, Counties of DuPage and Will, State of Illinois, have reviewed all information provided to me by City staff and find that City of Naperville has conformed to all applicable requirements of the Illinois Tax Increment Redevelopment Allocation Act set forth thereunder for the reporting period beginning January 1, 2021 and ending on December 31, 2021.

Michael DiSanto, City Attorney

6/24/22

Date

Attachment D: Activities Undertaken in Furtherance of the Objectives of the Redevelopment Plan

NAPERVILLE WATER STREET TIF DISTRICT FY2020

The Water Street Development continues to be a prominent destination for dining and shopping within the City's central business district. In alignment with the City's expectations, the project has completely transformed and defined the southern boundary of Downtown Naperville. What was once a forgotten street, is now a destination for weddings, meetings, conferences, and visitors seeking unique shopping and dining options. The Riverwalk Extension and parking provide important connections and amenities to serve the entire downtown. The parking deck and hotel, which is the only accommodation choice in Downtown Naperville, have consistently served as important amenities supporting a variety of cultural and community events and activities.

No new activities were undertaken in 2021.

Attachment H

CITY OF NAPERVILLE
WATER STREET TIF DISTRICT
JOINT REVIEW BOARD MEETING MINUTES

December 7th, 2021
10:00 am

Meeting Room B

A. CALL TO ORDER:

Rachel Mayer, Finance Director called the meeting to order at 10:06 am

B. DISTRICT INTRODUCTIONS/ROLL CALL:

Taxing District: Present:
City of Naperville – Rachel Mayer
Naperville School District 203 - Melanie Brown
Naperville Township – Eddie Bedford
Citizen Member – Brien Nagle

Absent:
DuPage County
Naperville Park District
College of DuPage

City of Naperville Staff:
Raymond Munch – Budget Manager, Finance
Amy Emery – Operations Manager, T.E.D
Sherrian Kelly – Budget Analyst, Finance

C. PUBLIC FORUM:
There were no speakers for Public Forum

D. REPORTS AND RECOMMENDATIONS:
Receive the 2020 Annual Tax Increment Finance (TIF) Report for the Water Street TIF District.

Ray Munch gave a presentation of the annual report and the audited numbers for the FY2020.The fund had beginning balances of $1.005 million, with revenues of $390,590 and expenditures of $3,187. The amount of the expenditures are mainly annual financial auditing fees. Transfers in accounted for $1.089 million, with transfers out of $2.43 million for the period. The fund had an ending balance of $50,356.

He expounded that over the course of the 2019-2020 period, there were several transfers, as the TIF has reached a point where buildout is complete and as such there are no public infrastructure payments or developer payment coming due, hence the city began the process of the internal audit. The auditing process began in 2019 with a portion of the bond proceeds being returned to the Bond Fund. The process continued in 2020 as there were still sufficient fund balance associated with property tax increments and parking leases that were never transferred out. For

2021, the idea is to have a clean fund that reflects revenue in for property tax increment and transfers out for debt services payments, except for annual auditing fees and ancillary payments.

Nagle questioned why revenues were so low in 2020 and why wasn't an additional $1M transferred out in 2019. Munch responded that 2019 revenues were a combination of both the property tax increment and the return-on-investment interest. The bond proceeds were the focus of the first audit, hence the additional $1M was determined from the subsequent review of the fund balance.

Regarding the valuation of the fund, the frozen valuation has not changed, the TIF valuation rose about 4% and the incremental EAV and tax increment have increased as a result.

Nagle questioned whether it would be profitable to retain the fund balance and use it to generate investment income.

Mayer responded, indicating that the proceeds would have to be used for capital projects since they are bonded dollars.

Munch continued the presentation giving an overview of the debt service summary which provides an history of the fund and sets future expectations. Life to date, debt services due were $3.06 million. The TIF has brought in increment of other sources and transfers to debt services of $2.87 million. Future projections show a $10.26 million in debt service, of which the TIF is projected to support $9.3 million. The TIF will generate just over $12 million to support debt service. The consensus is that the TIF will however, not generate sufficient revenue to cover the entire debt service, hence the City will cover the remaining costs from other sources.

Munch then introduced Amy Emery, Operations Manager to give an overview the TIF's occupancy levels and build out, especially for the location at River Main, as any increments from that will be used to support the debt service.

E. NEW BUSINESS:

Emery updated the meeting participants on two new tenants to the Water Street District: Vasili's Mediterranean, which now occupies the space vacated by MidiCi Pizza, opened in December 2020, and Ben & Jerry's, which opened in August 2021. The tenant mix in the district remains the same as most businesses are recovering from the effects of the pandemic. Hotel Indigo was hardest hit during the pandemic as revenues declined significantly, however businesses are recovering.

As it relates to River Main, Emery indicated that the developer has completed the entitlement process as it relates to the building and are finalizing interior build-out plans. Dates for construction has not yet been determined.

Of other interest is the temporary surface parking lot at the corner of Aurora and Webster Avenues, which was slated to be office spaces for low intensity uses with a possible transition to residential uses. No applications have been received for use of that lot; therefore, it remains as a temporary surface lot.

Mayer questioned if there are any indications on what year construction will begin. Emery responded indicating that the City is prepared but the developer is remaining cautious amid the pandemic and still working to finalize details.

Mayer requested information on whether the initial EAV estimation that was part of the TIF generation was included. Munch replied that the initial projection had a full build-out into 2018, the projections have been moved to 2024.

Bedford informed the meeting that Warren Dixon, Township Assessor will be vacating the office effective December 31, 2021. Matt Gross will assume the position January 2022.

F. ADJOURNMENT:

There being no other items for discussion, the meeting was adjourned at 10:23 am.

Attachment K

SIKICH

CITY OF NAPERVILLE, ILLINOIS

WATER STREET
TAX INCREMENT FINANCING DISTRICT FUND

REPORT ON COMPLIANCE
WITH PUBLIC ACT 85-1142

For the Year Ended December 31, 2021

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CITY OF NAPERVILLE, ILLINOIS
WATER STREET
TAX INCREMENT FINANCING DISTRICT FUND
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1415 West Diehl Road, Suite 400
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INDEPENDENT ACCOUNTANT'S REPORT

The Honorable Mayor
Members of the City Council
City of Naperville
400 South Eagle Street
Naperville, Illinois 60540

We have examined management's assertion, included in its representation letter dated June 28, 2022 that the City of Naperville (the City) complied with the provisions of subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act (Illinois Public Act 85-1142) during the year ended December 31, 2021. Management is responsible for the City's assertion and for compliance with those requirements. Our responsibility is to express an opinion on management's assertion about the City compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether management's assertion about compliance with the specified requirements is fairly stated, in all material respects. An examination involves performing procedures to obtain evidence about whether management's assertion is fairly stated, in all material respects. The nature, timing and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of management's assertion, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

Our examination does not provide a legal determination on the City's compliance with the specified requirements.

In our opinion, management's assertion that the City complied with the aforementioned requirements for the year ended December 31, 2021 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 boards and is not intended to be and should not be used by anyone other than these specified parties.

Sikich LLP

Naperville, Illinois
June 28, 2022

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INDEPENDENT AUDITOR'S REPORT
ON SUPPLEMENTARY INFORMATION

The Honorable Mayor
Members of the City Council
City of Naperville
400 South Eagle Street
Naperville, Illinois 60540

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Naperville, Illinois (the City) as of and for the year ended December 31, 2021, which collectively comprise the basic financial statements of the City, and have issued our report thereon dated, June 28, 2022 which expressed an unmodified opinion on those statements.

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

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

Sikich LLP

Naperville, Illinois
June 28, 2022

SUPPLEMENTATARY INFORMATION

CITY OF NAPERVILLE, ILLINOIS

BALANCE SHEET

WATER STREET
TAX INCREMENT FINANCING DISTRICT FUND

December 31, 2021

ASSETS		
Cash and investments	$	43,328
Receivables		
Property taxes		607,536
Accrued interest		554
TOTAL ASSETS	$	651,418
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE		
LIABILITIES		
None	$	-
Total liabilities		-
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue		607,536
Total deferred inflows of resources		607,536
FUND BALANCE		
Restricted for		
Capital projects		43,882
Total fund balance		43,882
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	$	651,418

(See independent auditor's report.)

CITY OF NAPERVILLE, ILLINOIS

STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE

WATER STREET
TAX INCREMENT FINANCING DISTRICT FUND

For the Year Ended December 31, 2021

REVENUES	
Taxes	
Property	$ 359,033
Investment income (loss)	(2,674)
Total revenues	356,359
EXPENDITURES	
Current	
General government	
Professional services	3,800
Total expenditures	3,800
EXCESS OF REVENUES OVER EXPENDITURES	352,559
OTHER FINANCING SOURCES (USES)	
Transfers (out)	(359,033)
Total other financing sources (uses)	(359,033)
NET CHANGE IN FUND BALANCE	(6,474)
FUND BALANCE, JANUARY 1	50,356
FUND BALANCE, DECEMBER 31	$ 43,882

(See independent auditor's report.)

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INDEPENDENT ACCOUNTANT'S REPORT

The Honorable Mayor
Members of the City Council
City of Naperville
400 South Eagle Street
Naperville, Illinois 60540

We have examined management's assertion, included in its representation letter dated June 28, 2022 that the City of Naperville (the City) complied with the provisions of subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act (Illinois Public Act 85-1142) during the year ended December 31, 2021. Management is responsible for the City's assertion and for compliance with those requirements. Our responsibility is to express an opinion on management's assertion about the City compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether management's assertion about compliance with the specified requirements is fairly stated, in all material respects. An examination involves performing procedures to obtain evidence about whether management's assertion is fairly stated, in all material respects. The nature, timing and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of management's assertion, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

Our examination does not provide a legal determination on the City's compliance with the specified requirements.

In our opinion, management's assertion that the City complied with the aforementioned requirements for the year ended December 31, 2021 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 boards and is not intended to be and should not be used by anyone other than these specified parties.

Sikich LLP

Naperville, Illinois
June 28, 2022