

ANNUAL TAX INCREMENT FINANCE REPORT



SUSANA A. MENDOZA
ILLINOIS STATE COMPTROLLER

Name of Municipality:	<u>City of Naperville</u>	Reporting Fiscal Year:	2022
County:	<u>DuPage</u>	Fiscal Year End:	12/31/2022
Unit Code:	022/080/030		

First Name:	Rachel	Last Name:	Mayer		
Address:	400 S. Eagle Street	Title:	Finance Director/City Treasurer		
Telephone:	630-420-6052	City:	Naperville	Zip:	60540
E-mail	mayer@naperville.il.us				

Rachel Mayne

7/3/2023

Date _____

FILL OUT ONE FOR EACH TIF DISTRICT

[illegible]

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

SECTION 2 [Sections 2 through 8 must be completed for each redevelopment project area listed in Section 1.]

FY 2022

Name of Redevelopment Project Area:

Water Street TIF

Primary Use of Redevelopment Project Area*: CBD
*Types include: Central Business District, Retail, Other Commercial, Industrial, Residential, and Combination/Mixed.
If "Combination/Mixed" List Component Types: N/A
Under which section of the Illinois Municipal Code was Redevelopment Project Area designated? (check one): Tax Increment Allocation Redevelopment Act ☒ Industrial Jobs Recovery Law ☐

Please utilize the information below to properly label the Attachments.

	No	Yes
For redevelopment projects beginning prior to FY 2022, 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). For redevelopment projects beginning in or after FY 2022, were there any amendments, enactments or extensions 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, enactment or extension, and a copy of the redevelopment plan (labeled Attachment A).	X	
Certification of the Chief Executive Officer of the municipality that the municipality has complied with all of the requirements of the Act during the preceding fiscal year. [65 ILCS 5/11-74.4-5 (d) (3) and 5/11-74.6-22 (d) (3)] Please enclose the CEO Certification (labeled Attachment B).		X
Opinion of legal counsel that municipality is in compliance with the Act. [65 ILCS 5/11-74.4-5 (d) (4) and 5/11-74.6-22 (d) (4)] Please enclose the Legal Counsel Opinion (labeled Attachment C).		X
Statement setting forth all activities undertaken in furtherance of the objectives of the redevelopment plan, including any project implemented and a description of the redevelopment activities. [65 ILCS 5/11-74.4-5 (d) (7) (A and B) and 5/11-74.6-22 (d) (7) (A and B)] If yes, please enclose the Activities Statement (labeled Attachment D).		X
Were any agreements entered into by the municipality with regard to the disposition or redevelopment of any property within the redevelopment project area or the area within the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (7) (C) and 5/11-74.6-22 (d) (7) (C)] If yes, please enclose the Agreement(s) (labeled Attachment E).	X	
Is there additional information on the use of all funds received under this Division and steps taken by the municipality to achieve the objectives of the redevelopment plan? [65 ILCS 5/11-74.4-5 (d) (7) (D) and 5/11-74.6-22 (d) (7) (D)] If yes, please enclose the Additional Information (labeled Attachment F).	X	
Did the municipality's TIF advisors or consultants enter into contracts with entities or persons that have received or are receiving payments financed by tax increment revenues produced by the same TIF? [65 ILCS 5/11-74.4-5 (d) (7) (E) and 5/11-74.6-22 (d) (7) (E)] If yes, please enclose the contract(s) or description of the contract(s) (labeled Attachment G).	X	
Were there any reports <u>submitted to</u> the municipality <u>by</u> the joint review board? [65 ILCS 5/11-74.4-5 (d) (7) (F) and 5/11-74.6-22 (d) (7) (F)] If yes, please enclose the Joint Review Board Report (labeled Attachment H).		X
Were any obligations issued by 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 (labeled Attachment J).	X	
An analysis prepared by a financial advisor or underwriter, <u>chosen by the municipality</u> , setting forth the nature and term of obligation; projected debt service including required reserves and debt coverage; <u>and actual debt service</u> . [65 ILCS 5/11-74.4-5 (d) (8) (B) and 5/11-74.6-22 (d) (8) (B)] If attachment I is yes, the Analysis and an accompanying letter from the municipality outlining the contractual relationship between the municipality and the financial advisor/underwriter <u>MUST</u> be attached (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	
For redevelopment projects beginning in or after FY 2022, did the developer identify to the municipality a stated rate of return for each redevelopment project area? Stated rates of return required to be reported shall be independently verified by a third party chosen by the municipality. If yes, please enclose evidence of third party verification, may be in the form of a letter from the third party (labeled Attachment N).	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)]**FY 2022****Name of Redevelopment Project Area:****Water Street TIF****Provide an analysis of the special tax allocation fund.**Special Tax Allocation Fund Balance at Beginning of Reporting Period \$ 43,882

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	\$ 607,536	\$ 2,664,584	15%
State Sales Tax Increment	\$ -	\$ -	0%
Local Sales Tax Increment	\$ -	\$ -	0%
State Utility Tax Increment	\$ -	\$ -	0%
Local Utility Tax Increment	\$ -	\$ -	0%
Interest	\$ 453	\$ 466,047	3%
Land/Building Sale Proceeds	\$ -	\$ 403,512	2%
Bond Proceeds	\$ -	\$ 9,802,132	56%
Transfers from Municipal Sources	\$ -	\$ 3,605,653	21%
Private Sources	\$ -	\$ 167,835	1%
Other (identify source _____; if multiple other sources, attach schedule)	\$ -	\$ 473,338	3%

All Amount Deposited in Special Tax Allocation Fund \$ 607,989**Cumulative Total Revenues/Cash Receipts** \$ 17,583,101 100%

Total Expenditures/Cash Disbursements (Carried forward from Section 3.2)	\$ 4,012
Transfers to Municipal Sources	\$ 607,587
Distribution of Surplus	\$ -

Total Expenditures/Disbursements \$ 611,599**Net/Income/Cash Receipts Over/(Under) Cash Disbursements** \$ (3,610)**Previous Year Adjustment (Explain Below)** \$ -**FUND BALANCE, END OF REPORTING PERIOD*** \$ 40,272

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

Previous Year Explanation:

FY 2022

Water Street TIF

PAGE 1

[illegible]

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		\$ 4,012

Section 3.2 B [Information in the following section is not required by law, but may be helpful in creating fiscal transparency.]

FY 2022

Name of Redevelopment Project Area:

Water Street TIF

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

[illegible]

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

FY 2022

Name of Redevelopment Project Area:

Water Street TIF

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

FUND BALANCE BY SOURCE

\$	40,272
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1. Description of Debt Obligations	Amount of Original Issuance	Amount Designated
GO Bond - 2014 Series	\$ 8,594,399	\$ 5,083,465
GO Bond - 2016 Series	\$ 4,710,326	\$ 3,610,125
Total Amount Designated for Obligations	\$ 13,304,725	\$ 8,693,590

2. Description of Project Costs to be Paid	Amount of Original Issuance	Amount Designated
Total Amount Designated for Project Costs		\$ -

TOTAL AMOUNT DESIGNATED

\$	8,693,590
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SURPLUS/(DEFICIT)

\$	(8,653,318)
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SECTION 4 [65 ILCS 5/11-74.4-5 (d) (6) and 65 ILCS 5/11-74.6-22 (d) (6)]

FY 2022

Name of Redevelopment Project Area:

Water Street TIF

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

	Indicate an 'X' if no property was 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:	

SECTION 5 [20 ILCS 620/4.7 (7)(F)]

FY 2022

Name of Redevelopment Project Area:

Water Street TIF

PAGE 1

Page 1 MUST 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 <u>DID</u> undertake projects within the Redevelopment Project Area. (If selecting this option, complete 2a.)	X
2a. The total number of <u>ALL</u> 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 1 Name: 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 Name: 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 Name: 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 Name:

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

Project 5 Name:

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

Project 6 Name:

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

SECTION 6 [Information requested in SECTION 6.1 is not required by law, but may be helpful in evaluating the performance of TIF in Illinois.

SECTIONS 6.2, 6.3, and 6.4 are required by law, if applicable. (65 ILCS 5/11-74.4-5(d))]

FY 2022

Name of Redevelopment Project Area:

Water Street TIF

SECTION 6.1-For redevelopment projects beginning before FY 2022, complete the following information about job creation and retention.

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

SECTION 6.2-For redevelopment projects beginning in or after FY 2022, complete the following information about projected job creation and actual job creation.

The number of jobs, if any, projected to be created at the time of approval of the redevelopment agreement	The number of jobs, if any, created as a result of the development to date, for the reporting period, under the same guidelines and assumptions as was used for the projections used at the time of approval of the redevelopment agreement

SECTION 6.3-For redevelopment projects beginning in or after FY 2022, complete the following information about increment projected to be created and actual increment created.

The amount of increment projected to be created at the time of approval of the redevelopment agreement	The amount of increment created as a result of the development to date, for the reporting period, using the same assumptions as was used for the projections used at the time of the approval of the redevelopment agreement

SECTION 6.4-For redevelopment projects beginning in or after FY 2022, provide the stated rate of return identified by the developer to the municipality and verified by an independent third party, if any:

SECTION 7 [Information in the following section is not required by law, but may be helpful in evaluating the performance of TIF in Illinois.]

FY 2022

Name of Redevelopment Project Area:

Water Street TIF

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

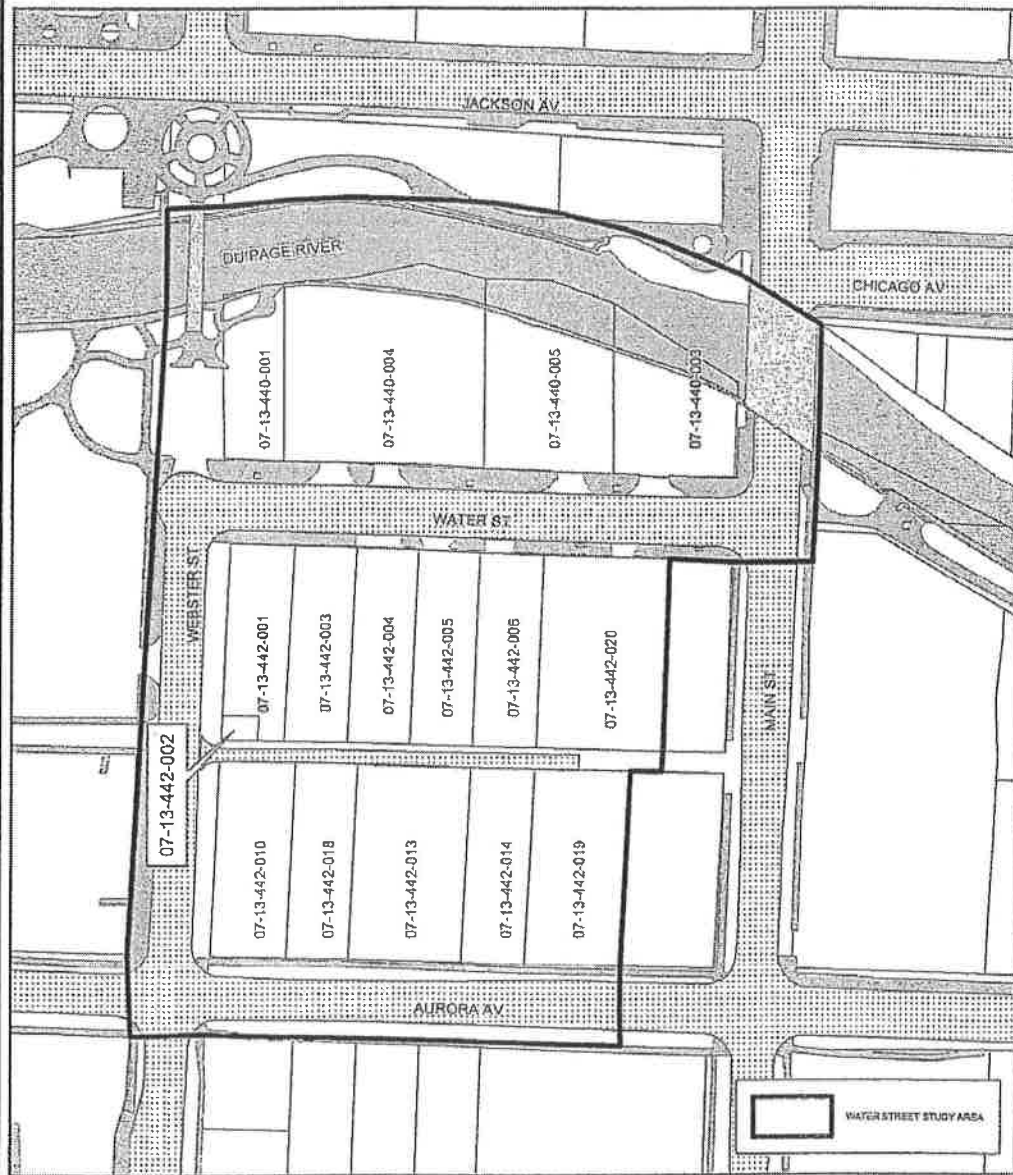
[illegible]

**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)



Transportation, Engineering and
 Development Business Group
 Questioning Contact: (630) 420-6694
www.naperville.il.us
 May 2006



This map should be used for reference only.
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Attachment B: CEO Certification

NAPERVILLE WATER STREET TIF DISTRICT FY2022

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, 2022, and ending on December 31, 2022.


Douglas A. Krieger, City Manager

8/25/23
Date

Attachment C: Legal Opinion

NAPERVILLE WATER STREET TIF DISTRICT FY2022

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, 2022, and ending on December 31, 2022.



Michael DiSanto, City Attorney

June 26, 2023

Date

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

NAPERVILLE WATER STREET TIF DISTRICT

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 2022.



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

August 24, 2022

10:00 am

Meeting Room A/B

A. CALL TO ORDER:

Rachel Mayer, Finance Director called the meeting to order at 10:00 a.m.

B. DISTRICT INTRODUCTIONS/ROLL CALL:

Taxing Districts: Present:
City of Naperville – Rachel Mayer
Naperville School District 203 – Melanie Brown
Naperville Township – Matthew Rasche
Citizen Member – Brien Nagle
Naperville Park District – Sue Stanish
DuPage County – Jessica Infelise

Absent:
College of DuPage

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

C. PUBLIC FORUM:

There we no speakers.

D. REPORTS AND RECOMMENDATIONS:

1. Approve the minutes of the December 7, 2021 meeting

A motion was made by Stanish and seconded by Infelise. A motion to amend the minutes was posed by Nagle to clarify the notes that indicated the TIF build-out was complete. The notes are hereby amended to reflect “with the exception of the temporary lot at the NE Corner of Aurora & Webster Avenue”.

There being no other corrections, the motion as amended was made by Stanish and seconded by Infelise. Motion approved unanimously.

2. Receive the Water Street TIF Annual Report for the FY ended December 31, 2021

Munch gave a summary of the TIF audited financials. The actual financial information was distributed to members of the Board prior to the meeting.

A Motion was made by Rasche and seconded by Brown. Motion approved unanimously.

3. Review the Summary of 2021 Water Street TIF District Increment Projection

Munch directed the Board to the information included in the agenda regarding notification from the Township Assessor regarding significant valuation changes to the TIF. The changes will be reflected in the 2022 property tax receipts for the TIF increment.

He indicated that the frozen valuation of the TIF did not change, however, the present valuation increased from \$6.3 million to \$9.4 million which results in an increase in the property tax increment that the TIF will generate. Munch deferred to Rasche to discuss what led to the reevaluation.

Rasche explained the various factors that led to the increase in the EAV including a property reassessment and addition of a property that was previously tax exempt.

Stanish asked how often reevaluations are done and the year the tri-annual assessments are due. Rasche responded indicating reevaluations are completed every four years. The next reevaluation is due in 2023.

Munch continued the presentation with the debt service summary. With the new valuation, the TIF will likely generate enough incremental taxes to pay off the existing debt over the remaining life of the TIF. The plan is that the TIF will end once the debt service is fully paid off.

Rasche requested clarification that the projection does not include any future development within the current EAV. Mayer confirmed that is the case.

E. OLD BUSINESS:

None

F. ADJOURNMENT:

A motion was made by Rasche to adjourn the meeting, seconded by Nagle. Motion unanimously approved and the meeting was adjourned at 10:30 a.m.

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, 2022

CITY OF NAPERVILLE, ILLINOIS
WATER STREET
TAX INCREMENT FINANCING DISTRICT FUND
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Naperville, IL 60563
630.566.8400

SIKICH.COM

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 29, 2023 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, 2022. 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, 2022 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 29, 2023

1415 West Diehl Road, Suite 400
Naperville, IL 60563
630.566.8400

SIKICH.COM

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, 2022, which collectively comprise the basic financial statements of the City, and have issued our report thereon dated, June 29, 2023 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 29, 2023

SUPPLEMENTATARY INFORMATION

CITY OF NAPERVILLE, ILLINOIS

BALANCE SHEET

**WATER STREET
TAX INCREMENT FINANCING DISTRICT FUND**

December 31, 2022

ASSETS	
Cash and investments	\$ 40,272
Receivables	
Property taxes	<u>635,868</u>
TOTAL ASSETS	<u><u>\$ 676,140</u></u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	
LIABILITIES	
None	<u>\$ -</u>
Total liabilities	<u>-</u>
DEFERRED INFLOWS OF RESOURCES	
Unavailable revenue	<u>635,868</u>
Total deferred inflows of resources	<u>635,868</u>
FUND BALANCE	
Restricted for	
Capital projects	<u>40,272</u>
Total fund balance	<u>40,272</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	<u><u>\$ 676,140</u></u>

(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, 2022

REVENUES

Taxes	
Property	\$ 607,536
Investment income	<u>453</u>
Total revenues	<u>607,989</u>

EXPENDITURES

Current	
General government	
Professional services	<u>4,012</u>
Total expenditures	<u>4,012</u>

EXCESS OF REVENUES OVER EXPENDITURES	<u>603,977</u>
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OTHER FINANCING SOURCES (USES)

Transfers (out)	<u>(607,587)</u>
Total other financing sources (uses)	<u>(607,587)</u>

NET CHANGE IN FUND BALANCE	(3,610)
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FUND BALANCE, JANUARY 1	<u>43,882</u>
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FUND BALANCE, DECEMBER 31	<u><u>\$ 40,272</u></u>
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(See independent auditor's report.)

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Naperville, IL 60563
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Attachment L

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 29, 2023 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, 2022. 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, 2022 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 29, 2023