

ANNUAL TAX INCREMENT FINANCE REPORT



SUSANA A. MENDOZA
ILLINOIS STATE COMPTROLLER

FY 2023 TIF Administrator Contact Information-Required

Date

FILL OUT ONE FOR EACH TIF DISTRICT

*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 2023

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:	
Under which section of the Illinois Municipal Code was the 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
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, chosen by the municipality , setting forth the nature and term of obligation; projected debt service including required reserves and debt coverage; and actual debt service . [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 2023****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

\$ 40,272

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	\$ 635,869	\$ 3,300,453	18%
State Sales Tax Increment			0%
Local Sales Tax Increment			0%
State Utility Tax Increment			0%
Local Utility Tax Increment			0%
Interest	\$ 16,730	\$ 482,777	3%
Land/Building Sale Proceeds		\$ 403,512	2%
Bond Proceeds		\$ 9,802,132	54%
Transfers from Municipal Sources		\$ 3,605,653	20%
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

\$ 652,599

Cumulative Total Revenues/Cash Receipts

\$ 18,235,700	100%
---------------	------

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

\$ 3,633

Transfers to Municipal Sources

\$ 635,869

Distribution of Surplus

--

Total Expenditures/Disbursements

\$ 639,502

Net/Income/Cash Receipts Over/(Under) Cash Disbursements

\$ 13,097

Previous Year Adjustment (Explain Below)

\$ -

FUND BALANCE, END OF REPORTING PERIOD*

\$ 53,369

* 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 2023

Name of Redevelopment Project Area:

Water Street TIF

ITEMIZED LIST OF ALL EXPENDITURES FROM THE SPECIAL TAX ALLOCATION FUND

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	3,633	
		\$ 3,633
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 construction 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		\$ 3,633

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

FY 2023

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]

FY 2023

Water Street TIF

FUND BALANCE BY SOURCE

\$	53,369
----	--------

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

TOTAL AMOUNT DESIGNATED

\$	7,534,406
----	-----------

SURPLUS/(DEFICIT)

\$	(7,481,037)
----	-------------

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

FY 2023

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.

X	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 2023

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. <u>NO</u> 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 and 2b.)	X
2a. The total number of <u>ALL</u> activities undertaken in furtherance of the objectives of the redevelopment plan:	3
2b. The total number of <u>NEW</u> projects undertaken by the municipality in fiscal year 2022 and any fiscal year thereafter, within the Redevelopment Project area, if any.	0

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

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

Water Street TIF

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

Project Name	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.	
	Temporary	Permanent	Temporary	Permanent

[illegible]

Project Name	Stated Rate of Return

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 2023

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

performance of TIF in Illinois.]

Name of Redevelopment Project Area:

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

\$9,770,090

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

Indicate an 'X' if the overlapping taxing districts did not receive a surplus.

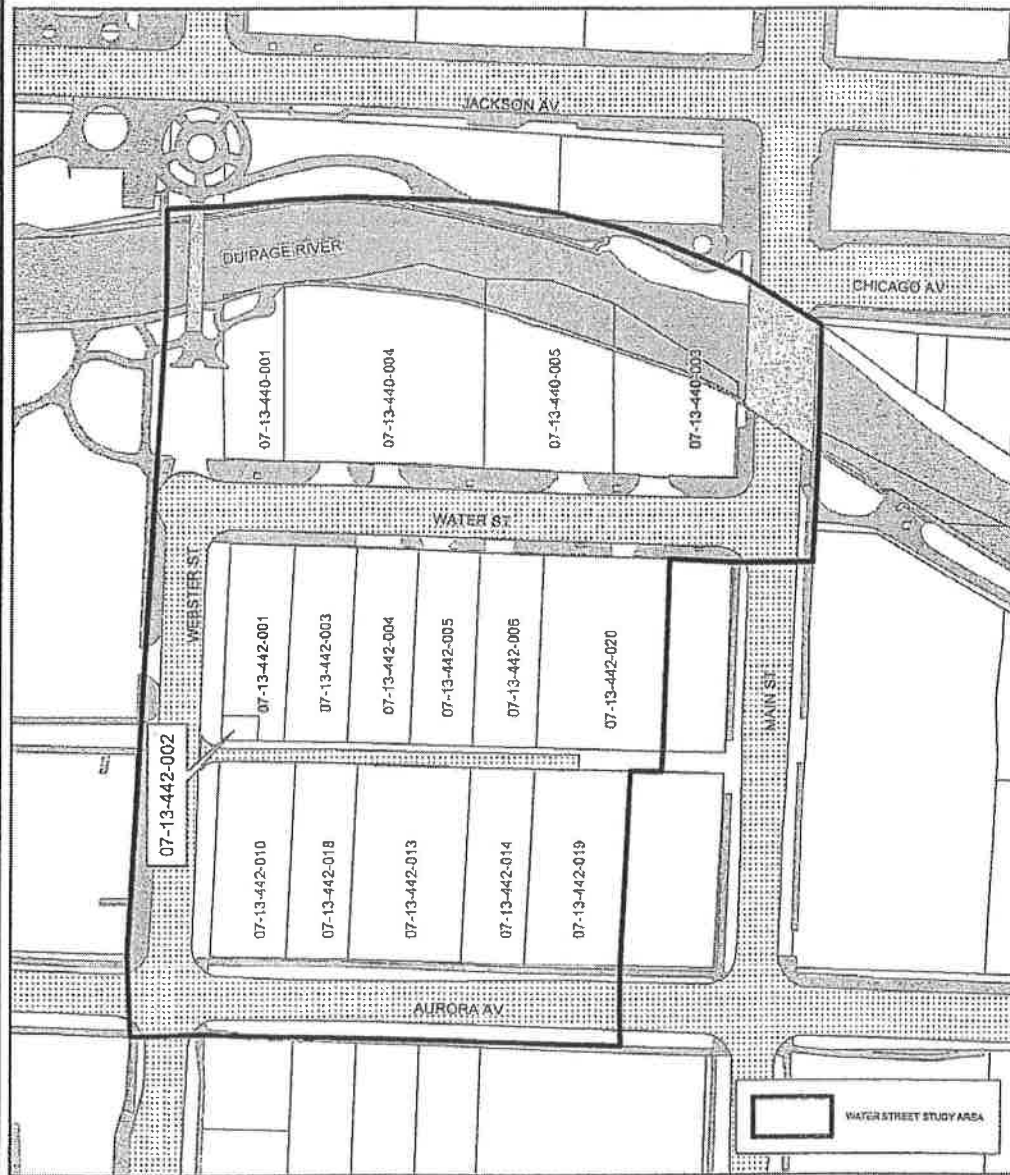
\$	-
----	---

**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



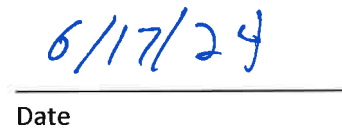
This map should be used for reference only.
 The data is subject to change without notice.
 City of Naperville assumes no liability in the use
 or application of the data. Reproduction or redistribution is
 forbidden without expressed written consent from the City of Naperville.
 S:\GIS\GISUsers\OC\Water Street\Water Street PINS.mxd

Attachment B: CEO Certification

NAPERVILLE WATER STREET TIF DISTRICT FY2023

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, 2023, and ending on December 31, 2023.


Douglas A. Krieger, City Manager


Date

Attachment C: Legal Opinion

NAPERVILLE WATER STREET TIFDISTRICT FY2023

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 Incremental Redevelopment Allocation Act set forth thereunder for the reporting period beginning January 1, 2023, and ending on December 31, 2023.



Michael DiSanto, City Attorney



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 2023.



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

August 4, 2023

10:00 a.m.

Meeting Room B

A. CALL TO ORDER:

Rachel Mayer, Finance Director called the meeting to order at 10:00 am

B. DISTRICT INTRODUCTIONS/ROLL CALL:

Taxing District:

Present:

City of Naperville – Rachel Mayer
Naperville Park District – Sue Stanish
DuPage County – Jessica Infelise
Naperville Township – Matthew Rasche
Citizen Member – Brien Nagle

Absent:

College of DuPage
Naperville School District 203

City of Naperville Staff

Present:

Raymond Munch – Deputy Finance Director
Sherrian Kelly – Budget Analyst

C. PUBLIC FORUM:

None.

D. REPORTS AND RECOMMENDATIONS:

1. Approve the minutes of the August 24, 2022 meeting

A motion 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, 2022

Munch gave an overview of the 2022 Audited Financial Report. The Fund had beginning balances of \$43,882 with incremental tax revenue of \$607,989. The tax revenue for 2022 is proportionally higher when compared to the 2021 revenue in the amount of \$356,359 due to the reassessment of the hotel property. Expenditures accounted for \$4,012 for the

annual audit costs. Transfer out of the fund represented the full increment to the debt service fund. The funds' ending balance for FY2022 was \$40,272.

Munch further indicated that no major valuation changes were made for the current tax year, however the frozen valuation changed minimally. The TIF valuation increased 4.5% from \$607,536 to \$635,868 in line with the general increase in valuation across the City.

Nagel questioned under what circumstances the frozen valuation would change.

Munch responded indicating further research would need to be conducted regarding the minimal changes. The first time the valuation changed was as a result of the recalculation of the public portion of the parking garage attached to the hotel, as the assumption was that a portion of the garage had a taxable value due to the hotel's use. Rasche also contributed that the assessment may have assumed a property that was previously exempted and now included in the valuation but was uncertain. In the event such exemption was made, the amounts would go into the TIF not the frozen valuation.

Research will be conducted, and information relayed to the board at the next meeting.

Munch continued the presentation with the debt service summary with the reminder that the sole purpose of the TIF is to repay the debt from the construction of the Water Street improvements. The year-to-date actual incurred is \$4.6 million, the TIF has supported \$3.84 million. The remaining amount of \$8.7 million is projected through 2034; under the assumption that the TIF would generate enough to satisfy the debt requirement.

The only variable is the projected TIF support of \$9.74 million, as that is based on increments currently being generated with the undeveloped property at Water and Main Street (River Main parcel). The parcel has a planned development; however, no construction will take place until the Washington Street Bridge is completed. As such, the assumption is that no increments will be generated until 2025-2026.

Nagel questioned what developments are in place for the lot at Aurora and Webster. Munch indicated there are no pending developments being discussed at the moment.

Stanish questioned whether debt service difference can be recaptured. Munch responded that the intent is that the TIF would remain in place until its obligations to pay debt service are met, barring any changes within the TIF.

Stanish questioned if there is any ability to refund the debt. Mayer indicated that the debt does not qualify as one that is eligible for refunding at this time; however, it will be re-evaluated at the debt's next call date.

Nagel inquired how or where the balance of the fund is distributed. Munch responded that at the end of the life of the TIF, any remaining amounts would be considered surplus and distributed to the taxing bodies per the proportionate amount of their shares.

A motion to receive the report was made by Rasche and seconded by Stanish. The motion was unanimously approved.

E. OLD BUSINESS:

None

F. ADJOURNMENT:

A motion to adjourn was made by Rasche and seconded by seconded by Nagle. Motion unanimously approved and the meeting was adjourned at 10:11 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, 2023



SIKICH.COM

CITY OF NAPERVILLE, ILLINOIS
WATER STREET
TAX INCREMENT FINANCING DISTRICT FUND
TABLE OF CONTENTS

	<u>Page(s)</u>
INDEPENDENT ACCOUNTANT’S REPORT	1
INDEPENDENT AUDITOR’S REPORT ON SUPPLEMENTARY INFORMATION.....	2
SUPPLEMENTARY INFORMATION	
Balance Sheet	3
Statement of Revenues, Expenditures, and Changes in Fund Balance	4

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, 2023, which collectively comprise the basic financial statements of the City, and have issued our report thereon dated, June 19, 2024 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 CPA LLC

Naperville, Illinois
June 19, 2024

SUPPLEMENTATARY INFORMATION

CITY OF NAPERVILLE, ILLINOIS

BALANCE SHEET

**WATER STREET
TAX INCREMENT FINANCING DISTRICT FUND**

December 31, 2023

ASSETS	
Cash and investments	\$ 51,770
Receivables	
Interest	<u>1,599</u>
TOTAL ASSETS	<u>\$ 53,369</u>
LIABILITIES AND FUND BALANCE	
LIABILITIES	
None	<u>\$ -</u>
Total liabilities	<u>-</u>
FUND BALANCE	
Restricted for	
Capital projects	<u>53,369</u>
Total fund balance	<u>53,369</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 53,369</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, 2023

REVENUES

Taxes	
Property	\$ 635,869
Investment income	16,730
Total revenues	652,599

EXPENDITURES

Current	
General government	
Professional services	3,633
Total expenditures	3,633

EXCESS OF REVENUES OVER EXPENDITURES	648,966

OTHER FINANCING SOURCES (USES)

Transfers (out)	(635,869)
Total other financing sources (uses)	(635,869)

NET CHANGE IN FUND BALANCE	13,097
----------------------------	--------

FUND BALANCE, JANUARY 1	40,272

FUND BALANCE, DECEMBER 31	\$ 53,369

(See independent auditor's report.)

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

SIKICH.COM

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 19, 2024 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, 2023. 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, 2023 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 CPA LLC

Naperville, Illinois
June 19, 2024