

**VILLAGE OF VERNON HILLS, ILLINOIS**

**TOWN CENTER REDEVELOPMENT FOR THE  
NW & SW CORNER OF ROUTE 45/24  
TAX INCREMENT FINANCING DISTRICT**

**REPORT ON COMPLIANCE  
WITH PUBLIC ACT 85-1142**

For the Year Ended  
April 30, 2016



**VILLAGE OF VERNON HILLS, ILLINOIS**  
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Certified Public Accountants & Advisors  
Members of American Institute of Certified Public Accountants

## INDEPENDENT ACCOUNTANT'S REPORT

The Honorable President  
Members of the Board of Trustees  
Village of Vernon Hills, Illinois

We have examined management's assertion, included in its representation letter dated October 10, 2016 that the Village of Vernon Hills complied with the provisions of subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act (Illinois Public Act 85-1142) during the year ended April 30, 2016. Management is responsible for the Village's assertion and for compliance with those requirements. Our responsibility is to express an opinion on management's assertion about the Village's compliance based on our examination.

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

In our opinion, management's assertion that the Village of Vernon Hills complied with the aforementioned requirements for the year ended April 30, 2016 is fairly stated, in all material respects.

This report is intended solely for the information and use of the Board, management, the Joint Review Board, and the Illinois Department of Revenue and is not intended to be and should not be used by anyone other than these specified parties.

*Sikich LLP*

Naperville, Illinois  
October 10, 2016



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## INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY INFORMATION

The Honorable President  
Members of the Board of Trustees  
Village of Vernon Hills, Illinois

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information of the Village of Vernon Hills, Illinois as of and for the year ended April 30, 2016, which collectively comprise the basic financial statements of the Village of Vernon Hills, Illinois, and have issued our report thereon dated October 10, 2016, 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 listed in the table of contents 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  
October 10, 2016

**SUPPLEMENTARY INFORMATION**

**VILLAGE OF VERNON HILLS, ILLINOIS**

**BALANCE SHEET**

**TOWN CENTER REDEVELOPMENT FOR  
THE NW & SW CORNER OF ROUTE 45/21  
TAX INCREMENT FINANCING DISTRICT**

April 30, 2016

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| <b>ASSETS</b>                                  |                          |
|--|--------------------------|
| Cash and cash equivalents                      | \$ 514,160               |
| Receivables                                    |                          |
| Accrued interest                               | <u>2,051</u>             |
| <b>TOTAL ASSETS</b>                            | <b><u>\$ 516,211</u></b> |
| <br><b>LIABILITIES AND FUND BALANCES</b>       |                          |
| <b>LIABILITIES</b>                             |                          |
| Due to other funds                             | <u>\$ 670,000</u>        |
| Total liabilities                              | <u>670,000</u>           |
| <b>FUND BALANCE (DEFICIT)</b>                  |                          |
| Unassigned (deficit)                           | <u>(153,789)</u>         |
| Total fund balances (deficit)                  | <u>(153,789)</u>         |
| <b>TOTAL LIABILITIES AND<br/>FUND BALANCES</b> | <b><u>\$ 516,211</u></b> |

**VILLAGE OF VERNON HILLS, ILLINOIS**

**STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE**

**TOWN CENTER REDEVELOPMENT FOR  
THE NW & SW CORNER OF ROUTE 45/21  
TAX INCREMENT FINANCING DISTRICT**

For the Year Ended April 30, 2016

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**REVENUES**

|                         |              |
|-------------------------|--------------|
| Taxes                   |              |
| Tax increment financing | \$ 1,221,604 |
| Investment income       | 616          |
|                         | <hr/>        |
| Total revenues          | 1,222,220    |
|                         | <hr/>        |

**EXPENDITURES**

|                             |           |
|-----------------------------|-----------|
| Economic development        |           |
| Contractual services        | 1,488     |
| Debt service                |           |
| Principal                   | 260,000   |
| Interest and fiscal charges | 494,591   |
| Payment to escrow agent     | 1,478,356 |
|                             | <hr/>     |
| Total expenditures          | 2,234,435 |
|                             | <hr/>     |

|  |             |
|--|-------------|
| EXCESS (DEFICIENCY) OF REVENUES<br>OVER EXPENDITURES | <hr/>       |
|  | (1,012,215) |
|  | <hr/>       |

**OTHER FINANCING SOURCES (USES)**

|                                      |             |
|--------------------------------------|-------------|
| Transfers in                         | 122,183     |
| Bonds issued                         | 5,255,000   |
| Premium on bonds issued              | 136,341     |
| Payment to escrow agent              | (5,301,500) |
|                                      | <hr/>       |
| Total other financing sources (uses) | 212,024     |
|                                      | <hr/>       |

|                             |           |
|-----------------------------|-----------|
| NET CHANGE IN FUND BALANCES | (800,191) |
|-----------------------------|-----------|

|                      |         |
|----------------------|---------|
| FUND BALANCES, MAY 1 | <hr/>   |
|                      | 646,402 |
|                      | <hr/>   |

|  |              |
|--|--------------|
| <b>FUND BALANCES (DEFICIT), APRIL 30</b> | <hr/>        |
|  | \$ (153,789) |
|  | <hr/>        |