

**SECTION 2 [Sections 2 through 5 must be completed for each redevelopment project area listed in Section 1.]
FY 2019**

Name of Redevelopment Project Area (below): <p style="text-align: center;">*Irving Park Road East RPA (TIF #5)</p>	
Primary Use of Redevelopment Project Area*: Combination/Mixed	

* 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): <div style="display: flex; justify-content: space-between; align-items: center;"> Tax Increment Allocation Redevelopment Act X </div> <div style="display: flex; justify-content: space-between; align-items: center;"> Industrial Jobs Recovery Law </div>	

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 (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 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 2019

***Irving Park Road East RPA (TIF #5)**

Special Tax Allocation Fund Balance at Beginning of Reporting Period \$ (66,817)

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	\$ 10,358	\$ 52,904	22%
State Sales Tax Increment	\$ -	\$ -	0%
Local Sales Tax Increment	\$ -	\$ -	0%
State Utility Tax Increment	\$ -	\$ -	0%
Local Utility Tax Increment	\$ -	\$ -	0%
Interest	\$ 145	\$ 392	0%
Land/Building Sale Proceeds	\$ -	\$ -	0%
Bond Proceeds	\$ -	\$ -	0%
Transfers from Municipal Sources	\$ -	\$ -	0%
Private Sources	\$ -	\$ -	0%
Other (identify source _____; if multiple other sources, attach schedule)		\$ 182,629	77%

All Amount Deposited in Special Tax Allocation Fund \$ 10,503

Cumulative Total Revenues/Cash Receipts \$ 235,926 100%

Total Expenditures/Cash Disbursements (Carried forward from Section 3.2) \$ 14,599

Transfers to Municipal Sources \$ -

Distribution of Surplus \$ -

Total Expenditures/Disbursements \$ 14,599

Net/Income/Cash Receipts Over/(Under) Cash Disbursements \$ (4,096)

Previous Year Adjustment (Explain Below) \$ -

FUND BALANCE, END OF REPORTING PERIOD* \$ (70,913)

* 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 2019

TIF NAME:

*Irving Park Road East RPA (TIF #5)

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.		
Legal Services -Bernie Paul	14,599	
		\$ 14,599
2. Annual administrative cost.		
		\$ -
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 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		\$ 14,599
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Section 3.2 B

FY 2019

TIF NAME:

*Irving Park Road East RPA (TIF #5)

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
Bernard Paul	Legal Service - Aman Living & Misc.	\$ 14,599.14

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

FY 2019

TIF NAME:

***Irving Park Road East RPA (TIF #5)**

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

X

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:	

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

FY 2019

TIF Name: ***Irving Park Road East RPA (TIF #5)**

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. <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.)	
--	--

2a. The total number of <u>ALL</u> activities undertaken in furtherance of the objectives of the redevelopment plan:	1
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LIST **ALL** projects undertaken by the Municipality Within the Redevelopment Project Area:

	11/1/99 to Date	Estimated Investment for Subsequent Fiscal Year	Total Estimated to Complete Project
TOTAL:			
Private Investment Undertaken (See Instructions)	\$ 3,255,128	\$ 1,000,000	\$ 44,000,000
Public Investment Undertaken	\$ -	\$ -	\$ 6,300,000
Ratio of Private/Public Investment	0		6 62/63

*PROJECT NAME TO BE LISTED AFTER PROJECT NUMBER

Project 1*: Verandah Senior Housing

Private Investment Undertaken (See Instructions)	\$ 3,255,128	\$ 1,000,000	\$ 44,000,000
Public Investment Undertaken	\$ -		\$ 6,300,000
Ratio of Private/Public Investment	0		6 62/63

Project 2*:

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

Project 3*:

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

Project 4*:

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

Project 5*:

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

Project 6*:

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



Village of Hanover Park Administration

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630-823-5600 tel 630-823-5786 fax

hpil.org

Village President
Rodney S. Craig

Village Clerk
Eira L. Corral Sepulveda

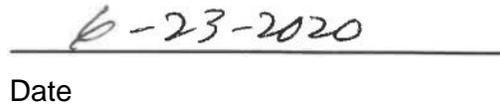
Trustees
Liza Gutierrez
James Kemper
Herb Porter
Bob Prigge
Rick Roberts
Sharmin Shahjahan

Village Manager
Juliana A. Mailer

ATTACHMENT B

I, Rodney S. Craig, the elected Chief Executive Officer of the Village of Hanover Park, County of Cook and County of DuPage, State of Illinois, do hereby certify that to the best of my knowledge, the Village's Irving Park Road East RPA (TIF #5) Report complies with the requirements pertaining to the Illinois Tax Increment Redevelopment Allocation Act during the fiscal year beginning January 1, 2019 and ending December 31, 2019.


Village President


Date

ATTACHMENT C

LAW OFFICES OF
BERNARD Z. PAUL
231 SOUTH FOURTH STREET
DEKALB, ILLINOIS 60115-3732

BERNARD Z. PAUL
bernardzpaul@gmail.com

TELEPHONE
(815)756-1312
(fax) (815)758-2863

OPINION OF LEGAL COUNSEL

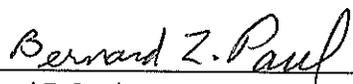
Re: Village of Hanover Park, Illinois (the "**Village**") Irving Park Road East Redevelopment Project Area - TIF #5 (the "**TIF #5**") / Annual Tax Increment Finance Report for the Fiscal Year ended December 31, 2019

In connection with the "Annual Tax Increment Finance Report" under 65 ILCS 5/11-74.4-5(d) (the "**Act**") for the fiscal year ending December 31, 2019 for the Irving Park Road East Redevelopment Project Area - TIF #5 (the "**Annual Report**"), I am acting as the Village Attorney for the Village of Hanover Park, and, based upon review of the Annual Report, in reliance on representations made by officers and employees of the Village in such Annual Report, and in reliance on the Village's officials and tax increment finance personnel, planners, consultants and the Village's management as to all proceedings preliminary to, in connection with and related to the adoption of tax increment finance, the approval of the redevelopment plan and redevelopment project and the designation of the Irving Park Road East Redevelopment Project Area - TIF #5, as such adoption, approval and designation have been supplemented and amended, but without making any independent investigation or inquiry in connection with any of the foregoing, as of December 31, 2019, nothing had come to my attention during said period to lead me to conclude other than that the Village as of such date was in compliance with the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1 *et seq.*).

In connection herewith, I am assuming the accuracy, completeness and sufficiency of all documents, statements and representations by and on behalf of the Village and its officers and agents provided to me related to such TIF and in the Annual Report, and I express no opinion as to (i) the sufficiency or completeness of the Annual Report (or any Irving Park Road East Redevelopment Project Area - TIF #5 audit), (ii) the receipt and application of incremental taxes, or (iii) the payment of redevelopment project costs related to such TIF. This constitutes the "**opinion of legal counsel**" under the Act, and may not be cited or used in connection with anything other than submission with the Annual Report.

Dated as of: June 26, 2020

Very truly yours,



Bernard Z. Paul

Attachment D – Activities Statement

TIF #5 – Irving Park Road East Corridor RPA

Statement setting forth all activities undertaken in furtherance of the objectives of the redevelopment plan, including any project implemented in the preceding fiscal year and a description of the activities undertaken [65 ILCS 5/11-74.4-5 (d) (A and B) and 5/11-74.6-22 (d) (7) (A and B)]

*The Village of Hanover Park, Illinois Irving Park Road East Tax Incremental
Redevelopment Project and Plan (“TIF #5”) was adopted on January 10, 2013.*

During the fiscal year beginning January 1, 2019 and ending December 31, 2019 (FY 2019), various activities and projects were undertaken in furtherance of the objectives of TIF #5, including the following:

- 1) Staff continued promoting available property in the TIF 5 area for development and recruiting businesses in vacant spaces.
- 2) 3 buildings, for a total of 14 units, were completed as part of Phase 1 of a 215-unit Senior Housing development at 900 Irving Park Road. Residents have moved into several units. Construction began for the second phase in 2019. The previously vacant 11-acre parcel (old Menards site), was approved in 2017 for: 55 market-rate townhomes, 75 one-bedroom and two-bedrooms condominiums, 85 assisted living units, a 10,000 square foot club house, 200,000 square feet of new open space, natural walking paths, several amenities and a one-acre commercial retail pad. This development is estimated to have a construction cost of over \$42 million. A Redevelopment Agreement was approved for \$6.3 million in TIF assistance after demonstration of financial gap. The reimbursement will occur in the form of developer note(s), and the financial assistance will be limited to the increment generated solely from this development. The development will improve the property with a new vibrant, mixed-use senior housing community. Increase in the EAV will likely be realized next year.
- 3) A new restaurant – Ali Baba (previous location of Safari Kabobs) – opened at 664 Wise Rd.
- 4) Long Johns Silvers, at 800 Irving Park Road, closed after 50 years of operations at this location. The property is being marketed for lease or sale.
- 5) Over \$1 M was invested within the TIF in private sector development in 2019, a majority of which was for the new senior housing construction.

"ATTACHMENT H"



Village of Hanover Park
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Village President
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Village Clerk
Eira L. Corral Sepúlveda

Trustees
James Kemper
Fanny Y. López Benítez
Herb Porter
Bob Prigge
Rick Roberts
Sharmin Shahjahan

Village Manager
Juliana A. Maller

July 15, 2019

TO: JRB members
DCEO
TIF Registered Interested Parties

Re: TIF JRB Meeting – Thursday, August 1, 2019

In accordance with the Tax Increment Allocation Redevelopment Act, the Village of Hanover Park has prepared its Annual Tax Increment Finance (TIF) Reports, which are subject to statutory and Illinois State Comptroller's Office provisions in effect for the fiscal year 2018 (from Jan 1, 2018 to Dec. 31, 2018).

In accordance with the TIF law, the Village has scheduled the following time and location for the annual Joint Review Board (JRB) meetings for the below mentioned TIF Districts:

DATE: Thursday, August 1, 2019
TIME: 11:00 am TIF #3 Village Center Redevelopment Plan Area
11:10 am (Or immediately following TIF #3) - TIF #4 West Irving Park Road Corridor
11:15 am (Or immediately following TIF #4) TIF #5 Irving Park Road East
Redevelopment Area
PLACE: Village Hall – Room 214
Located at 2121 Lake Street, Hanover Park, IL 60133

Attached is the meeting agenda, minutes from the 11/13/18 JRB meetings, and here is the link for the TIF Reports filed with the State Comptroller's office:

<https://www.hpil.org/244/Tax-Increment-Financing-TIF-Development>

Please let us know if you would like hard copies of any of this information mailed to you.

We look forward to seeing you or your Taxing District Representative at the meeting. Please RSVP via email at sgovind@hpil.org or call (630) 823-5780.

Please contact me if you have any questions.

Thank you.

Shubhra Govind
TIF Administrator



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Village Manager
Juliana A. Maller

VILLAGE OF HANOVER PARK

**Joint Review Board Meeting
Tax Increment Financing District (TIF) # 5
Irving Park Road East TIF Redevelopment Area**

Village Hall: 2121 Lake Street, Rm. 214, Hanover Park, IL 60133

**Thursday, AUGUST 1, 2019
11:15 A.M.**

AGENDA

1. Call to Order- Roll Call
2. Selection of Chair
3. Selection of Public Member
4. Acceptance of Agenda
5. Approval of Minutes – 11/13/18
6. Review of TIF Reports
7. Questions/Discussion
8. Public Comments
9. Adjournment



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Village Manager
Juliana A. Maller

“ATTACHMENT H”

VILLAGE OF HANOVER PARK

Joint Review Board Meeting Tax Increment Financing District (TIF) # 5 Irving Park Road East Corridor RPA

Municipal Building: 2121 Lake Street, Rm. 214, Hanover Park, IL 60133

Thursday, August 1, 2019

11:40 a.m.

MINUTES

1. CALL TO ORDER: ROLL CALL

Mayor Craig called the meeting to order at 11:40 a. m. Director Govind called the roll.

Present:

Cook County – Mohammed Elahi
Schaumburg Township Library District – Monica Harris
Village President Rodney Craig – Hanover Park

Staff:

Village Manager Juliana Maller
Community & Economic Development Director Shubhra Govind
Finance Director Remy Navarrete
Village Planner Ellen Weber
Village Attorney Bernard Paul

2. SELECTION OF CHAIR:

Motion by Monica Harris, seconded by Mohammed Elahi to select Mayor Craig as Chair.
Voice Vote: All ayes.

3. SELECTION OF PUBLIC MEMBER:

Rich Kamphaus, Bernard Jaeger, and Ralph A. Black were invited but not present. The individuals registered as interested parties were notified but none were present.

4. ACCEPTANCE OF AGENDA:

Motion by Mohammed Elahi, seconded by Monica Harris to accept the Agenda.
Voice Vote; All ayes.

5. APPROVAL OF MINUTES – November 13, 2018:

Motion by Mohammed Elahi, seconded by Monica Harris to approve the minutes of November 13, 2018.

Roll Call Vote. All ayes.

6. REVIEW OF TIF REPORTS

Community & Economic Development Director Shubhra Govind reviewed the TIF Financial Report which was submitted to the State of Illinois for activities completed in the fiscal year of 2018. The beginning fund balance for TIF District #5 was \$(69,952) and the ending fund balance was \$(66,817). Total expenditures for the year were \$11,226. Cumulative Cash Receipts for the District are \$225,423.

During the fiscal year beginning January 1, 2018 and ending December 31, 2018 (FY2018), various activities and projects were undertaken in furtherance of the objectives of TIF #5, including the following:

- 1) Staff continued promoting available property in the TIF 5 area for development and recruiting businesses in vacant spaces.
- 2) Construction began for the first phase of a 215-unit Senior Housing development at 900 Irving Park Road. The previously vacant 11-acre parcel (old Menards site), was approved in 2017 for: 55 market-rate townhomes, 75 one-bedroom and two-bedrooms condominiums, 85 assisted living units, a 10,000 square foot club house, 200,000 square feet of new open space, natural walking paths, several amenities and a one-acre commercial retail pad. This development is estimated to have a construction cost of over \$42 million. A Redevelopment Agreement was approved for \$6.3 million in TIF assistance after demonstration of financial gap. The reimbursement will occur in the form of developer note(s), and the financial assistance will be limited to the increment generated solely from this development. The development will improve the property with a new vibrant, mixed-use senior housing community.

The first building was completed in 2019 with the model and 3 units; a 2nd building is under construction in 2019 for 2-story townhomes. The 3rd building, also under construction in 2019 will have 5 ranch-style units. A grand opening was held in July and attended by over 400 people. The developer, Dr. Gupta, was featured in Crain's Chicago Business this summer. Less than 10% of the units are built. The first phase is expected to take two years and the second phase will be an additional four years.

- 3) A new restaurant – Safari Kabobs – opened at 664 Wise Rd. It closed in 2019 and a new restaurant is now renovating the space with a fall opening anticipated.

7. QUESTIONS/DISCUSSION:

Mr. Elahi asked the Village Manager if she had received information on the new Cook County C-PACE program which will provide financing for clean energy initiatives in commercial buildings. DuPage and Kane Counties and Chicago have launched their program. Cook County expects to launch in the fall. Loans are paid for by a special assessment and the borrower signs they will pay them back. The Mayor referenced he had just returned from the U.S. Conference of Mayors meeting where the Village received recognition for being designated Gold by

SolSmart. The Village modified the zoning ordinance to allow for solar energy in all zoning districts and we went from 4 to 60 homes with solar energy installations.

8. PUBLIC COMMENTS:

There were none.

9. ADJOURNMENT: 3:50 p.m.

Motion by Mohammed Elahi, seconded by Monica Harris.

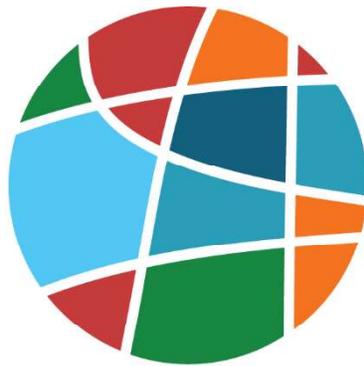
Voice Vote: All ayes.

Recorded and Transcribed by:

Ellen Weber, Senior Planner
this 1st day of August, 2019.

ATTACHMENT K

VILLAGE OF HANOVER PARK, ILLINOIS



Hanover Park^{USA}

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Year Ended December 31, 2019

VILLAGE OF HANOVER PARK, ILLINOIS

COMPREHENSIVE ANNUAL
FINANCIAL REPORT

For the Year Ended
December 31, 2019

Prepared by Department of Finance

Remy Navarrete
Director of Finance

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

SIKICH.COM

INDEPENDENT AUDITOR'S REPORT

The Honorable President
Members of the Board of Trustees
Village of Hanover Park, Illinois

We have audited the accompanying 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 Village of Hanover Park, Illinois (the Village) as of and for the year ended December 31, 2019, and the related notes to financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The financial statements of Hanover Square were not audited in accordance with *Government Auditing Standards*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Village's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the Village of Hanover Park, Illinois, as of December 31, 2019, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

The Village adopted GASB Statement No. 83, *Certain Asset Retirement Obligations*, which established standards for measuring and recognizing liabilities, deferred outflows of resources, and expenses for asset retirement obligations; and modified certain disclosures in the notes to financial statements, GASB Statement No. 84, *Fiduciary Activities*, which changed the reporting of certain fiduciary funds, and GASB Statement No. 90, *Majority Equity Interest, and amendment of GASB Statements No.14 and No.61*, which established standards for reporting a majority equity interest in an organization. Our opinion is not modified with respect to these matters.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Matters

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements as a whole. The introductory section, combining and individual fund financial statements and schedules and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund statements and schedules are the responsibility of

management and were derived from and relate 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.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 23, 2020 on our consideration of the Village's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.

Sikich LLP

Naperville, Illinois
June 23, 2020

VILLAGE OF HANOVER PARK, ILLINOIS

TAX INCREMENT FINANCING #5 FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

For the Year Ended December 31, 2019

	Original Budget	Final Budget	Actual
REVENUES			
Property taxes	\$ 11,500	\$ 11,500	\$ 10,358
Investment income	100	100	145
Total revenues	<u>11,600</u>	<u>11,600</u>	<u>10,503</u>
EXPENDITURES			
Current			
Community development			
Contractual services	<u>50,000</u>	<u>50,000</u>	<u>14,599</u>
Total expenditures	<u>50,000</u>	<u>50,000</u>	<u>14,599</u>
NET CHANGE IN FUND BALANCE	<u>\$ (38,400)</u>	<u>\$ (38,400)</u>	<u>(4,096)</u>
FUND BALANCE (DEFICIT), JANUARY 1			<u>(66,817)</u>
FUND BALANCE (DEFICIT), DECEMBER 31			<u><u>\$ (70,913)</u></u>

(See independent auditor's report.)