

City of Highwood, Illinois

**Downtown Redevelopment Tax Increment Financing District Fund
Report on Compliance With Public Act 85-1142**

April 30, 2019

Independent Auditor's Report

**Independent Auditor's Report
on Compliance With Public Act 85-1142**

The Honorable Mayor
Members of the City Council
City of Highwood, Illinois

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of the City of Highwood (City) Downtown Tax Increment Financing Fund, which comprise the statement of revenues, expenditures and changes in fund balance for the year ended April 30, 2019, and have issued report thereon dated October 14, 2019.

In connection with our audit, nothing came to our attention that caused us to believe that the City failed to comply with provisions of Subsection (q) of Section 11-74.4-3 of Public Act 85-1142, "An Act in Relation to Tax Increment Financing," insofar as it relates to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the City's noncompliance with the above-referenced statute, insofar as it relates to accounting matters.

This report is intended solely for the information and use the City Council, management, the State of Illinois, and others within the City and is not intended to be, and should not be, used by anyone other than the specified parties.

BKD, LLP

Oakbrook Terrace, Illinois
October 14, 2019

Supplementary Information

Independent Auditor's Report on Supplementary Information

The Honorable Mayor
Members of the City Council
City of Highwood, Illinois

We have audited the basic financial statements of the City of Highwood, Illinois for the year ended April 30, 2019, and have issued our report thereon, dated October 14, 2019, which expressed an unmodified opinion on those financial statements. The financial statements are the responsibility of the City of Highwood, Illinois' management. Our responsibility is to express opinions on the basic financial statements based on our audit.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements of the City of Highwood, Illinois. The accompanying Schedule of Revenues, Expenditures and Changes in Fund Balance for the Downtown Redevelopment TIF District Fund is presented for purposes of additional analysis and is not a required part of the basic financial statements. This information is the responsibility of management and derives from and relates directly to the underlying and other records used to prepare the basic financial statements. That information has been subjected to the auditing procedures applied to the audit of the basic financial statements and certain other procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements, or to the 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.

BKD, LLP

Oakbrook Terrace, Illinois
October 14, 2019

City of Highwood, Illinois
Downtown Redevelopment TIF District Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Year Ended April 30, 2019

	Capital Project Fund Downtown Redevelopment TIF
Revenues	
Property taxes	\$ 608,962
Investment income	2,325
Total revenues	611,287
Expenditures	
Contractual - current	5,000
Capital outlay	127,900
Debt service	
Principal	385,000
Interest	47,950
Fiscal agent fees	874
Total expenditures	566,724
Net Change in Fund Balance	44,563
Fund Balance	
May 1, 2018	947,053
April 30, 2019	\$ 991,616

City of Highwood, Illinois
Downtown Redevelopment TIF District Fund
Notes to the Schedule of Revenues, Expenditures and Changes in Fund Balance
Year Ended April 30, 2019

Summary of Significant Accounting Policies

The accompanying Schedule of Revenues, Expenditures and Changes in Fund Balance for the Downtown Redevelopment TIF District Fund is intended to present the change in fund balance of only that fund of the City. It does not purport to, and does not, present fairly the net position of the City as of April 30, 2019, or the changes in its net position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures generally are recorded when the liability is incurred, as under accrual accounting. General capital asset acquisitions are reported as expenditures in governmental funds.