

CITY OF FREEPORT, ILLINOIS

DOWNTOWN T.I.F. DISTRICT, LAMM ROAD T.I.F.
DISTRICT, WEST AVE. T.I.F. DISTRICT,
BURCHARD HILLS T.I.F. DISTRICT, AND
MEADOWS T.I.F. DISTRICT

FOR THE FISCAL YEAR ENDED
APRIL 30, 2017

**CITY OF FREEPORT, ILLINOIS
DOWNTOWN T.I.F. DISTRICT, LAMM ROAD T.I.F. DISTRICT, WEST AVE. T.I.F.
DISTRICT, BURCHARD HILLS T.I.F. DISTRICT, AND MEADOWS T.I.F. DISTRICT**

TABLE OF CONTENTS

	PAGE
INDEPENDENT AUDITORS' REPORT	1
 FINANCIAL STATEMENTS	
Combining Balance Sheet.....	2
Combining Statement of Revenues, Expenditures and Changes in Fund Balance	3
 INDEPENDENT AUDITORS' REPORT ON COMPLIANCE BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GENERALLY ACCEPTED AUDITING STANDARDS	 4

INDEPENDENT AUDITORS' REPORT



INDEPENDENT AUDITORS' REPORT

October 30, 2017

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

We have audited the accompanying basic financial statements of the governmental activities of the Downtown T.I.F. District, the Lamm Road T.I.F. District, the West Ave. T.I.F. District, the Burchard Hills T.I.F. District, and the Meadows T.I.F. District of the City of Freeport, Illinois as of and for the year ended April 30, 2017. The basic financial statements are the responsibility of the City of Freeport, Illinois' management. Our responsibility is to express an opinion on these basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 1 to the basic financial statements, the basic financial statements present only the Downtown T.I.F. District, the Lamm Road T.I.F. District, the West Ave. T.I.F. District, the Burchard Hills T.I.F. District, and the Meadows T.I.F. District of the City of Freeport, Illinois, and are not intended to present fairly the financial position or results of operations of the City of Freeport, in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Downtown T.I.F. District, the Lamm Road T.I.F. District, the West Ave. T.I.F. District, the Burchard Hills T.I.F. District, and the Meadows T.I.F. District of the City of Freeport, Illinois as of April 30, 2017, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

We have also issued a report dated October 30, 2017 on our consideration of the Tax Incremental Financing District's compliance with laws, regulations, contracts and grants.

Lauterbach + Amen LLP

LAUTERBACH & AMEN, LLP

FINANCIAL STATEMENTS

**CITY OF FREEPORT, ILLINOIS
DOWNTOWN T.I.F. DISTRICT, LAMM ROAD T.I.F. DISTRICT, WEST AVE. T.I.F. DISTRICT,
BURCHARD HILLS T.I.F. DISTRICT AND MEADOWS T.I.F. DISTRICT**

**Combining Balance Sheet
April 30, 2017**

	Downtown T.I.F. District	Lamm Road T.I.F. District	West Ave. T.I.F. District	Burchard Hills T.I.F. District	Meadows T.I.F. District	Totals
ASSETS						
Cash and Investments	\$ 85,549	137,492	17,837	9,053	952	250,883
LIABILITIES						
Accounts Payable	7,910	-	755	-	-	8,665
FUND BALANCES						
Restricted	77,639	137,492	17,082	9,053	952	242,218
Total Liabilities and Fund Balances	85,549	137,492	17,837	9,053	952	250,883

**CITY OF FREEPORT, ILLINOIS
DOWNTOWN T.I.F. DISTRICT, LAMM ROAD T.I.F. DISTRICT, WEST AVE. T.I.F. DISTRICT,
BURCHARD HILLS T.I.F. DISTRICT AND MEADOWS T.I.F. DISTRICT**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended April 30, 2017**

	Downtown T.I.F. District	Lamm Road T.I.F. District	West Ave. T.I.F. District	Burchard Hills T.I.F. District	Meadows T.I.F. District	Totals
Revenues						
Taxes	\$ 192,927	620,731	58,301	1,546	4,582	878,087
Interest	1,133	1,502	303	46	12	2,996
Total Revenues	<u>194,060</u>	<u>622,233</u>	<u>58,604</u>	<u>1,592</u>	<u>4,594</u>	<u>881,083</u>
Expenditures						
Public Works	315,306	391,604	89,663	487	953,889	1,750,949
Debt Service						
Principal Retirement	-	240,610	-	-	-	240,610
Interest and Fiscal Charges	-	19,894	-	-	-	19,894
Total Expenditures	<u>315,306</u>	<u>652,108</u>	<u>89,663</u>	<u>487</u>	<u>953,889</u>	<u>2,011,453</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(121,246)</u>	<u>(29,875)</u>	<u>(31,059)</u>	<u>1,105</u>	<u>(949,295)</u>	<u>(1,130,370)</u>
Other Financing Sources (Uses)						
Debt Issuance	-	-	-	-	950,000	950,000
Transfers Out	(57,223)	-	-	-	-	(57,223)
	<u>(57,223)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>950,000</u>	<u>892,777</u>
Net Change in Fund Balances	(178,469)	(29,875)	(31,059)	1,105	705	(237,593)
Fund Balances - Beginning	<u>256,108</u>	<u>167,367</u>	<u>48,141</u>	<u>7,948</u>	<u>247</u>	<u>479,811</u>
Fund Balances - Ending	<u><u>77,639</u></u>	<u><u>137,492</u></u>	<u><u>17,082</u></u>	<u><u>9,053</u></u>	<u><u>952</u></u>	<u><u>242,218</u></u>

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GENERALLY
ACCEPTED AUDITING STANDARDS**

October 30, 2017

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

We have audited the accompanying basic financial statements of the Downtown T.I.F. District, the Lamm Road T.I.F. District, the West Ave. T.I.F. District, the Burchard Hills T.I.F. District, and the Meadows T.I.F. District of the City of Freeport, Illinois, as of and for the year ended April 30, 2017, and have issued our report thereon dated October 30, 2017. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

Compliance

Compliance with laws, regulations, contracts, and grants applicable to the Financing District is the responsibility of the City of Freeport's management. As part of obtaining reasonable assurance about whether basic financial statements are free of material misstatement, we performed tests of the City's compliance with certain provisions of laws, regulations, contracts and grants applicable to the Financing District, including the City's compliance with subsection (q) of Section 11-74.4-3 of the State of Illinois Public Act 85-1142, *An Act in Relation to Tax Increment Financing*, noncompliance with which could have a direct and material effect on the determination of basic financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance with the provisions referred to in the preceding paragraph.

This report is intended for the information of the members of the Board of Trustees and management, and is not intended to be used and should not be used by anyone other than these specified parties.

Lauterbach & Amen LLP

LAUTERBACH & AMEN, LLP