

FREQUENTLY ASKED QUESTIONS

GENERAL QUESTIONS

Q. When are TIF reports due?

A. 180 days (approximately 6 months) after their FY end date (or as soon thereafter as the audited financial statements become available).

Q. Does the Office of the Comptroller grant extensions for TIF reports?

A. Yes. One 60 day extension is permitted and this request must be submitted before the 180 day filing ends.

Q. Is there a penalty for delinquent reports?

A. Yes. TIF Reports received on or after January 1, 2014 will be subject to the below referenced fines.

• Delinquent 1-15 days:	\$5 per day, per delinquent TIF Report
• Delinquent 16-30 days:	\$10 per day, per delinquent TIF Report
• Delinquent 31-45 days:	\$15 per day, per delinquent TIF Report
• Delinquent over 45 days:	\$20 per day, per delinquent TIF Report

Q. What does the Comptroller's Office do with the reports?

A. All TIF reports are available for Public Inspection.

Q. If a TIF district has been inactive, do they still have to file?

A. Yes, if there is no activity, the financial forms should reflect this. All other items, such as CEO certification, legal opinion, activity statement, etc. must be filed. If a TIF district has been legally terminated on or before 11/1/99, then a report does **not** have to be filed.

Q. Does financial activity prior to 11/1/99 have to be reported?

A. Financial activity from 11/1/99 must be reported. The only portion of the report that reflects financial information prior to 11/1/99 is the cumulative column in Section 3.1.

Q. When is the joint review board required to meet?

A. 180 days after the close of the FY end date or as soon as the redevelopment project audit for that fiscal year becomes available.

TIF REPORT QUESTIONS

- Q. What type of documentation is acceptable for privately issued bonds that do not have an "official statement" to include with the TIF report?
- A. A copy of the bond booklet, letter from the bank/private institution stating the purchase of the bond obligation will be satisfactory.
- Q. Where does surplus distributed to overlapping taxing districts get recorded?
- A. In Section 3.1 after "Total Expenditures/Cash Disbursements," "Distribution of Surplus Districts" and use it to record that figure.
- Q. Is filling out the TIF Form considered a permissible redevelopment cost?
- A. Consult with your legal counsel regarding permissible redevelopment costs.
- Q. Where in Section 3.2 can Debt Services be itemized?
- A. Debt should be itemized in "Financing Costs" [Subsection (q) (6) and (o) (8)].
- Q. Where do grants and loans provided to private investors for TIF projects get itemized in the report?
- A. Grants should be itemized in Section 3.2. Each category in which grant funds were expended should contain the appropriate description. Loans are assets and the interest from the loans is revenue and should be reflected in Section 3.1.
- Q. Is transferring TIF funds from one redevelopment project area to another a legally permissible TIF cost?
- A. Consult with your legal counsel regarding legally permissible TIF costs.
- Q. Where does debt owed to the municipality's general fund go in Section 3.3?
- A. If the debt owed can be itemized, it can be categorized under Part 2 of Section 3.3.
- Q. Should vendors that the municipality paid with the general funds be included in the vendors/payees schedule?
- A. No, vendors/payees that were paid in excess of \$10,000 from the TIF fund must be included.

SPECIFIC QUESTIONS

- Q. Our TIF was established in 1998 and in fiscal year 1998-99 increment was captured. Our FY End date is 12/31. There were no expenditures until February 2000. What do we need to record?
- A. Since financial data would only be required from 11/1/99 -12/31/99, you only have to record the fund balance. The TIF report for the following fiscal years should report the TIFs financial activity.
- Q. We have an old TIF, most of its projects are nearing completion, we are still spending public funds, but most of the private investment occurred years ago. How do we represent all the private investment that took place before 11/1/99 so that the public to private ratios for those projects are a more accurate reflection of what took place over the life of the project?
- A. Include all private investment that occurred prior to 11/1/99 in the "Total Estimated to Complete Project" column and add a note to indicate that the amounts reported were expended prior to 11/1/99.
- Q. We sold property to a Private developer to build a Walgreen's, is Private Investment the amount that we sold the property for OR the amount it cost for the private developer to build the Walgreen's?
- A. The private investment is the total amount it cost to build the Walgreen's.
- Q. Do I have to itemize each private investment?
- A. No you can group all private investments by project.
- Q. The municipality has an agreement with the overlapping taxing districts to reimburse them for the increase in EAV based on inflation. Where is that itemized?
- A. Consult with your legal counsel.
- Q. The TIF district took in \$100,000 of property tax increment for FY 1999. \$20,000 was given to the school district(s), which is a not surplus, but budgeted fund. The remaining \$80,000 was given to reimburse a private developer for infrastructure improvement costs incurred within the last five years. Where should this be reported?
- A. Consult with your legal counsel to determine how these financial transactions should be reported.
- Q. Does the law require a stand-alone audit with opinion page of the special tax allocation fund OR can you meet this requirement by adding a section to the municipal audit?
- A. An audit of the TIF Fund can be included in the municipal audit. However, if the TIF Fund accumulates more than \$100,000 in incremental revenue then a separate Certified Audit Report Reviewing Compliance with the TIF Act must be submitted in addition to submitting the Audited Financial Statements.

- Q. A municipality has a new TIF that has incurred legal and administrative expenses from 11/99 - 4/30/00, however, they have not established a TIF Fund yet. They have been using money from the city's General Fund and have not reimbursed it yet. In order to create a fund for the TIF, they are selling bonds. They started to sell bonds after their FY end date of 4/30/00 and will reimburse the General Fund. Do they have to file? If they have to file, how do they reflect their expenses if they don't have a fund or if they have not reimbursed the city's general fund?
- A. A TIF report should be filed to comply with the statute. In addition to the TIF report, the CEO certification, legal opinion, activity statement, etc. should be completed. Sections 4 and 5 should be given extra attention to ensure that reporting is done accurately. Legal counsel should be consulted with to determine how the \$0 fund balance and general fund reimbursement should be recorded in next year's report.
- Q. The municipality is given a sum of money from the IL Dept of Revenue for local sales tax. 1% of that money is set aside for the TIF redevelopment project(s) (as advised by the IL Dept. of Revenue - Dave Stuart 217-785-5983). Should this set aside be considered Local Sales Tax Increment, Transfers from Municipal Sources or Other in Section 3.1?
- A. The 1% is considered Local Sales Tax Increment.
- Q. In Sec. 3.2, where are expenditures from the TIF fund for property taxes on a parcel of land owned by the municipality within the redevelopment project area recorded?
- A. Consult with your legal counsel to determine where these expenditures should be reported.
- Q. Is the beginning fund balance in Section 3.1 the fund balance of the TIF from the previous year or the fund balance of the TIF that already has the debt service taken out? [This municipality has a 3 year debt service and have adjusted their balance to reflect that for the next 3 years].
- A. The municipality should consult with their auditor.