

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

FY 2020

Name of Redevelopment Project Area (below):	Carlyle TIF #2
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Primary Use of Redevelopment Project Area*: Commercial

* 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):	Tax Increment Allocation Redevelopment Act <u> x </u> Industrial Jobs Recovery Law <u> </u>
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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 2020

Carlyle TIF #2

Special Tax Allocation Fund Balance at Beginning of Reporting Period \$ 1,540

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	\$ 598,493	\$ 8,816,907	91%
State Sales Tax Increment	\$ -	\$ -	0%
Local Sales Tax Increment	\$ -	\$ -	0%
State Utility Tax Increment	\$ -	\$ -	0%
Local Utility Tax Increment	\$ -	\$ -	0%
Interest	\$ 1,851	\$ 7,787	0%
Land/Building Sale Proceeds	\$ -	\$ -	0%
Bond Proceeds	\$ -	\$ -	0%
Transfers from Municipal Sources	\$ 90,000	\$ 885,500	9%
Private Sources	\$ -	\$ -	0%
Other (identify source _____; if multiple other sources, attach schedule)	\$ -	\$ -	0%

All Amount Deposited in Special Tax Allocation Fund \$ 690,344

Cumulative Total Revenues/Cash Receipts \$ 9,710,194 100%

Total Expenditures/Cash Disbursements (Carried forward from Section 3.2) \$ 690,149

Transfers to Municipal Sources \$ -

Distribution of Surplus

Total Expenditures/Disbursements \$ 690,149

Net/Income/Cash Receipts Over/(Under) Cash Disbursements \$ 195

Previous Year Adjustment (Explain Below) \$ -

FUND BALANCE, END OF REPORTING PERIOD* \$ 1,735

* 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

PAGE 3

13. Relocation costs.		
		\$ -
14. Payments in lieu of taxes.		
Surplus Pass-Thru	591,054	
		\$ 591,054
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		\$ 690,149

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

FY 2020

TIF NAME:

Carlyle TIF #2

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

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:	

Property (5):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (6):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (7):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (8):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

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

PAGE 1

FY 2020

TIF Name:

Carlyle TIF #2

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. NO projects were undertaken by the Municipality Within the Redevelopment Project Area.	
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2. The Municipality DID undertake projects within the Redevelopment Project Area. (If selecting this option, complete 2a.)	x
2a. The total number of ALL activities undertaken in furtherance of the objectives of the redevelopment plan:	8

LIST **ALL** projects undertaken by the Municipality Within the Redevelopment Project Area:

TOTAL:	11/1/99 to Date	Estimated Investment for Subsequent Fiscal Year	Total Estimated to Complete Project
Private Investment Undertaken (See Instructions)	\$ 7,141,491	\$ -	\$ -
Public Investment Undertaken	\$ 179,570	\$ 8,000	\$ 146,000
Ratio of Private/Public Investment	39 10/13		0

*PROJECT NAME TO BE LISTED AFTER PROJECT NUMBER

Project 1*: Fortis Plastics

Private Investment Undertaken (See Instructions)	\$ 3,828,000		
Public Investment Undertaken	\$ 43,553		
Ratio of Private/Public Investment	87 25/28		0

Project 2*: Quip Industries

Private Investment Undertaken (See Instructions)	\$ 1,295,000		
Public Investment Undertaken	\$ 24,775		
Ratio of Private/Public Investment	52 10/37		0

Project 3*: TBH Lumber

Private Investment Undertaken (See Instructions)	\$ 178,694		
Public Investment Undertaken	\$ 4,519		
Ratio of Private/Public Investment	39 19/35		0

Project 4*: Dr. Hyten

Private Investment Undertaken (See Instructions)	\$ 413,000		
Public Investment Undertaken	\$ 20,273		
Ratio of Private/Public Investment	20 16/43		0

Project 5*: Hankel's Hook & Arrow

Private Investment Undertaken (See Instructions)	\$ 10,526		
Public Investment Undertaken	\$ 10,526		
Ratio of Private/Public Investment	1		0

Project 6*: Topmost Development Corp.

Private Investment Undertaken (See Instructions)	\$ 296,580		
Public Investment Undertaken	\$ 21,924		
Ratio of Private/Public Investment	13 19/36		0

Project 7*: Hardees

Private Investment Undertaken (See Instructions)	\$	186,000		
Public Investment Undertaken	\$	50,000		
Ratio of Private/Public Investment		3 18/25		0

Project 8*: Gerhard Properties Project

Private Investment Undertaken (See Instructions)	\$	933,691		
Public Investment Undertaken	\$	4,000	\$ 8,000	\$ 146,000
Ratio of Private/Public Investment		233 41/97		0

Project 9*:

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

Project 10*:

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

Project 11*:

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

Project 12*:

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

Project 13*:

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

Project 14*:

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

Project 15*:

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



City of Carlyle

Mayor: Judy Smith
City Administrator: Andrew Brackett

City Attorney: Joe Heiligenstein
City Clerk: Rita Jurgensmeyer
Treasurer: Chad Holthaus

Aldermen:
Ward One: Kent Newkirk
Shannon Petrea
Ward Two: Scott Diekemper
Donald R. Perez
Ward Three: John Hodapp
Jeremy Weh
Ward Four: Michael Jansen
Logan Speiser

ATTACHMENT B

FY 2020 Tax Increment Financing Report

“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)]”

As the Chief Executive Officer of the City of Carlyle, Illinois, I do hereby certify that the municipality has complied with all requirements pertaining to the Tax Increment Redevelopment Allocation Act during the municipal fiscal year 2020.

10/9/2020
Date

Sign *Judy L. Smith*

Print *Judy L. Smith*

BERNARD G. HEILIGENSTEIN (RETIRED)
THOMAS A. HEILIGENSTEIN (1961-1994)
JOSEPH B. HEILIGENSTEIN

BERNARD G. HEILIGENSTEIN, LTD.

ATTORNEYS AT LAW
521 NINTH STREET
CARLYLE, ILLINOIS 62231

Phone (618) 594-2213
Fax: (618) 594-2216
heiligensteinlaw@sbcglobal.net

ATTACHMENT C

FY 2020 TIF REPORT

October 15, 2020

Leslie Geissler Munger, Comptroller
Local Government Division
100 West Randolph
Suite 15-500
Chicago, IL 60601

RE: 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)]

FY 2020 Carlyle Tax Increment Financing Reports:

Carlyle TIF #1

Carlyle TIF #2

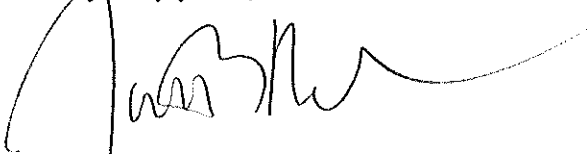
Carlyle TIF #3

Dear Comptroller:

As the legal counsel for the City of Carlyle, Illinois, I have reviewed all information provided to me by the City Administrator and staff for the municipal fiscal year of 2020 and, in my opinion, I find that the City of Carlyle has conformed to all applicable requirements of the Illinois Tax Increment Redevelopment Allocation Act set forth thereunder, to the best of my knowledge and belief.

This opinion relates only to the time period set forth and is based upon information available to me.

Very truly yours,



Joseph B. Heiligenstein

JBH/lkh

ATTACHMENT D

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 under taken (65 ILCS 5/11-74.4-5 (d) (7) (A and B) and 5/11-74.6-22 (d) (7) (A and B)

In the furtherance of the objectives of the redevelopment plan, the City continues to review potential development and redevelopment plans to undertake which would retain and recruit businesses to the City, while also making valuable infrastructure improvements throughout the area. It is the intent of the City to utilize TIF Funds in support of new business development projects and existing business expansion projects, as well as pursue public infrastructure projects which would enhance properties within the TIF District and create a competitive environment for investment. To date, there have been 8 private redevelopment projects supported through the use of TIF assistance, all of which are proving to be excellent additions to the community and have had significant impact on the tax base and the reduction and elimination of blighting characteristics.

During FY20, one new project was approved which allows for the provision of TIF assistance in conjunction with the development of a manufacturing and distribution center for a local window and door company. This development requires extensive renovation and remodeling to an existent vacant building which has sat empty for many years. This project is going to create a significant number of new job opportunities and is projected to be an excellent revenue generator for the City while also helping a local business expand and grow its services. Without the TIF District in place, this project may not otherwise have occurred at this location and may have sought a site with less renovation and remodeling requirements.

ATTACHMENT E

**PREFINISHED DOOR WORKS, LLC (BUILDING TENANT)
GERHARD PROPERTIES, LLC (BUILDING OWNER)
TAX INCREMENT FINANCING REDEVELOPMENT AGREEMENT – CARLYLE TIF #2**

This tax increment financing redevelopment agreement (hereinafter referred to as “Agreement”) is made and entered into as of _____, 2019, by and between the City of Carlyle, Illinois, an Illinois municipal corporation, and Gerhard Properties, LLC.

RECITALS

- A. On December 14, 1998, in accordance with the TIF Act, the City of Carlyle approved ordinances adopting tax increment financing and the Carlyle Tax Increment Financing Plan and Project, also known as the Carlyle TIF #2.
- B. The Developer has submitted a Redevelopment Proposal to the City for a project which could not or would not be undertaken without the use of tax increment financing assistance.
- B. The City Council, after reviewing the Redevelopment Proposal submitted by the Developer, believes that the Redevelopment Area as set forth herein in the Redevelopment Proposal, and the performance generally of this Agreement, are in the best interests of the City, and the health, safety, morals and welfare of its residents, and in accord with the public purposes specified in the Redevelopment Plan.

AGREEMENT

In consideration of the above premises and the mutual obligations of the parties hereto, each party hereby agrees as follows:

1. Definitions As used in this Agreement, the following words and terms shall have the following meanings:

“Affiliate”: Shall mean, with respect to any business entity, any other business entity directly or indirectly controlled (including at least 51% voting control) by or under direct or indirect common control with such business entity. A business entity shall be deemed to control another business entity if such controlling business entity possess solely, directly or indirectly the power to direct, or cause the direction of, the management and policies of the second business entity whether through the ownership of voting securities, common directors, trustees, partnership interest or member interest.

“Agreement Term”: The period of time in which this agreement is in full force and effect.

For this agreement, that period of time will begin upon the date of execution of this agreement, and continuing until the end of the natural life of the Carlyle TIF #2 District, which is set to expire on December 14, 2033.

“City”: The City of Carlyle, Clinton County, Illinois, a statutory City of Clinton County, and a political subdivision of the State of Illinois.

“City Council”: The City Council of the City of Carlyle, Illinois.

“Construction Plans”: Plans, drawings, specifications and related documents, and construction schedules for the construction of the Work (as shown on the attached Concept Plan or on the attached Development Plan, if necessary), together with all supplements, amendments or corrections, submitted by the Developer and approved by the City in accordance with this Agreement.

“Developer”: Gerhard Properties, LLC

“Developer’s Portion of the Redevelopment Project”: The renovation, repair, and improvement of a an existing commercial building located on the Property for use by the Developer for manufacturing purposes, including any and all reasonably required site preparation, demolition, interior & exterior renovations, roof repair, infrastructure and utility improvements, and other work required to support such a project; all to be used for activities in accordance with the Redevelopment Plan.

“Developer’s Share”: Means, the portion of the Incremental Tax Revenues generated by the Property annually, which are eligible to be paid to the Developer as reimbursement payment for certain Eligible Redevelopment Project Costs incurred during the performance of the Work. **For the purposes of this agreement, the Developer’s Share will be 80%, with the total amount reimbursed during the Agreement Term not to exceed the Reimbursement Limit. (See Exhibit 1 – Calculation of Incremental Tax Revenues & Developer’s Share)** The first payment of the Developer’s Share will be calculated based on the Incremental Tax Revenues assessed to the Property during the first year of full assessment of the Property after substantial completion of the Work, with the final payment being issued based on Incremental Tax Revenues assessed during the calendar year ending on **December 31, 2033 and collected in 2034 (See Exhibit 2 – Example Payment Schedule)**. Monies are to be paid from the Special Allocation Fund 34, Carlyle Tax Increment Financing Project Area #2 (TIF #2). The Developer is not eligible to receive the Developer’s Share until all Work has been verified to have been completed by the City in the City’s sole discretion.

“Eligible Redevelopment Projects Costs”: Any and all costs incurred pursuant to Section 11-74.4-3 of the TIF Act, and that qualify under Section 11-74.4-3 (q) as determined by the City, in the City’s sole discretion.

“Incremental Tax Revenues”: The ad valorem taxes, if any, arising from the tax levies upon

the Property by any and all taxing districts or municipal corporations having the power to tax real property in the TIF Redevelopment Area, which taxes are attributable to the increase in the then current equalized assessed valuation of each taxable lot, block, tract, or parcel of real property over and above the Total Initial Equalized Assessed Value. The calculation of the Incremental Tax Revenues during any given year will be substantially similar to the given example in **Exhibit 1- Calculation of Incremental Tax Revenue & Developer's Share**. For purposes of this Agreement, the "then current equalized assessed valuation" shall mean the equalized assessed valuation of the Property during the first year following full assessment of said real property after substantial completion of the Work, and each subsequent year thereafter during the Agreement Term.

"Property": That property to be used by Developer as more generally defined as being located at 2517 Franklin Street, in the City of Carlyle, Illinois 62239 (Clinton County PIN: 08-07-13-301-001) and described more fully in **Appendix A - Project Location**.

"Redevelopment Area": A certain area of the City of Carlyle known as the "Carlyle Redevelopment Project Area #2", also known as TIF #2.

"Redevelopment Plan": A plan entitled "Carlyle Redevelopment Project Area Tax Increment Financing Redevelopment Plan #2" which was approved on December 14, 1998, and as from time to time amended.

"Redevelopment Project": Those activities described as the Redevelopment Project in the Redevelopment Plan, Redevelopment Proposal, and this Agreement.

"Redevelopment Project Costs": The sum total of all reasonable or necessary costs actually incurred and paid in performing the Work, and any such costs incidental to the Redevelopment Plan or Redevelopment Project, provided however, that Redevelopment Project Costs shall not include any internal costs of Developer and shall not include any amounts for overhead, margin, profit or the like in connection with goods or services supplied to Developer by any Affiliate of Developer, except to the extent that such items are commercially reasonable and competitive with similar charges in arms-length transactions. Notwithstanding anything herein to the contrary, "Redevelopment Project Costs" may include the cost of Work performed by employees of Developer Gerhard Properties, LLC, Tenant Prefinished Door Works, LLC, or Wilke Window & Door Company, Inc.

"Redevelopment Proposal": The description of the intended scope and scale of the project as described by the Developer in the submitted application for tax increment financing assistance, as well as any and all accompanying site plans, drawings, or other descriptions of the intended project.

"Reimbursement Limit": The maximum amount of money the Developer may be reimbursed in accordance with this agreement; that amount not to exceed a dollar figure equal to **100%** of the Eligible Redevelopment Project Costs verified by the City to have been incurred during the performance of the Work required to complete the project.

"Special Allocation Fund": The Special Allocation Fund 34, Carlyle Tax Increment Financing Project Area. (TIF #2 Fund)

"TIF Act": The Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4 et. seq.

"Total Initial Equalized Assessed Value": The base equalized assessed value of the Property from which Incremental Tax Revenues will be derived from. **For the purposes of this agreement, The Total Initial Equalized Assessed Value is \$138,734.**

"Work": All work necessary to prepare the Property for, and to implement the portion of, the Redevelopment Project set forth in Section 2.1.a. below, including but not limited to, the renovation, repair, and improvement of a an existing commercial building located on the Property for use by the Developer for manufacturing purposes, including any and all reasonably required site preparation, demolition, interior & exterior renovations, roof repair, infrastructure and utility improvements, and other work required to support such a project; all to be used for activities in accordance with the Redevelopment Plan.

"Zoning Approvals": All plat approvals, re-zoning or other zoning and ordinance changes, site plan approvals, conditional use permits, or other subdivision, signage, zoning, or similar approvals required from the City for the implementation of the Redevelopment Project and which are consistent with the Redevelopment Plan and this Agreement and all Federal, state and local laws, ordinances, codes and regulations (except that with respect to the City's Zoning Ordinances, such applications may contain such non-conformance or variance to the extent contemplated by the Redevelopment Plan and this Agreement).

Capitalized terms not otherwise defined in this Agreement shall have the meaning ascribed to them in the Redevelopment Plan.

2. Redevelopment Project The City and Developer agree to carry out the Redevelopment Project in accordance with the Redevelopment Plan and this Agreement.

2.1 Developer Undertakings. The Developer agrees, subject to the terms and conditions hereof to undertake the Developer's Portion of the Redevelopment Project, viz.:

- a) Removal all asbestos and remediation of any and all other environmental concerns and other harmful contaminates within the existing building.
- b) Once all machinery vent stacks are installed, roof replacement shall occur at Developer's discretion.
- c) Any and all reasonably required interiors renovations including raising of the roof height to accommodate equipment, installation of appropriate sprinkler systems and other fire safety systems, remodeling, painting, floor repairs or resurfacing, wall and ceiling repairs and improvements.

- d) The construction of additional loading docks including dock doors
- e) Any and all reasonably required exterior façade repairs and improvements including painting and/or installing siding on exterior walls.
- f) The Developer agrees to begin the project within sixty (60) days of the execution of this agreement, and to complete the project within five (5) years of the execution of this agreement. The Developer may be granted extensions to these deadlines with written consent from the City.

2.2 City Undertaking. The City agrees, subject to the terms and conditions hereof, to use diligent efforts to expeditiously consider all Zoning Approvals necessary to commence and complete the Redevelopment Project so long as the application and documentation of such Zoning Approval Requests are in compliance with the Redevelopment Plan and all applicable Federal, state and local laws, ordinances, codes and regulations.

3. Acceptance of Proposal/Developer Selection: The City hereby accepts the Redevelopment Proposal, as amended hereby, and selects the Developer exclusively to perform the Work as outlined herein, in accordance with the terms of this Agreement. In the event of any conflict between the Redevelopment Proposal or Redevelopment Plan and the terms hereof, the terms hereof shall control.

4. Plans and Approvals

4.1 Changes During the progress of the Work, the Developer may make such reasonable changes, including, without limitation, modification of the construction schedule, including dates of commencement and completion, modification of the areas in which this work is to be performed, expansion or deletion of items, and any and all such other changes as site conditions or orderly development may dictate and as may be in substantial conformance with the Redevelopment Plan and this Agreement, provided that the Developer shall first obtain the consent of the City, which consent shall not be unreasonably withheld or delayed, before the Developer makes any such changes.

4.2 Zoning Approvals The City agrees to cooperate with the Developer and to expeditiously process and timely consider all applications for the Zoning Approvals which are in substantial conformance with the Redevelopment Plan and this Agreement, and are not contrary to any Federal, state or local law, ordinance, code or regulation (except that with respect to the City's Zoning Ordinances, such applications may contain such nonconformance or variance to the extent contemplated by the Concept Plan, the Redevelopment Plan and this Agreement), all in accordance with the applicable City ordinances and laws of the State of Illinois, and to take all further actions relating to Zoning Approvals (after processing in accordance with applicable laws and ordinances) as are consistent with the Redevelopment Plan and this Agreement.

5. Payment of the Developer's Share

5.1 Requests for Payment of the Developer's Share The Developer shall submit Requests for Payment of the Developer's Share ("Requests") in substantially the same form as set forth in **Exhibit 3 - Request for Reimbursement** on or before December 31st of any given year during the Term of this agreement in order to be eligible to receive payment of the Developer's Share for taxes payable during that year. All Requests shall be accompanied by invoices, statements, vouchers or bills for the amount requested (including evidence of payment thereof as to any amounts for which payment or reimbursement is requested) and lien waivers for all services or materials furnished by subcontractors, except as to any retainage, related to amounts for which reimbursement is requested. The Developer must also show proof that all Real Estate Property Taxes attributable to the Property are paid in full to date and that all sales tax owed to the City of Carlyle is paid in full. Payment of the Developer's Share will be forfeited for any year in which appropriate requests for payment, including all applicable documents and proof of payment, are not supplied by December 31st. Forfeited payments will not count towards the applicable Reimbursement Limit, and will not be recoverable in future years. The acquisition, production, and submission of all necessary documents and information required to effectuate payment of the Developer's Share will be the sole responsibility of the Developer.

5.2 City's Determination of Payment of the Developer's Share The City shall approve or disapprove any Request within 30 days of the submittal thereof. If the City disapproves any Request or any portion thereof, it shall state in writing the reasons therefore and provide the Developer a reasonable opportunity to clarify or correct the Request.

5.3 Payment of the Developer's Share Within 30 days of receipt and deposit of the Property's Tax Revenues into the appropriate municipal fund, the City shall pay the Developer the Developer's Share to the extent monies are available in the Special Allocation Fund. Such payment shall continue until such time as the earlier of the following: (i) the Developer Portion of the Redevelopment Project is no longer used for the purposes outlined in this Agreement; (ii) the Reimbursement Limit is reached; (iii) the Agreement Term is reached; (iv) the Carlyle Tax Increment Financing Area (TIF #2) expires or is otherwise terminated.

In the event the Developer defaults on the obligations and/or the building becomes vacant of a commercial business for a period of 6 months or more within 5 years from the signing of this Agreement, the Developer shall return to the City a sum of 20% of the total amount of Developer's Share paid from the City to the Developer for every year of the first five years of this Agreement in which obligations are not met. If a default occurs within one (1) year of the signing of this Agreement, the Developer will return 100% to the City. If a default occurs between one (1) year and two (2) years from the signing of this Agreement, the Developer will return 80% to

the City. If a default occurs between two (2) years and three (3) years from the signing of this Agreement, the Developer will return 60% to the City. If a default occurs between three (3) years and four (4) years from the signing of this Agreement, the Developer will return 40% to the City. If a default occurs between four (4) years and five (5) years from the signing of this Agreement, the Developer will return 20% to the City.

5.4 Reimbursements Limited to Eligible Redevelopment Projects Costs Nothing in this Agreement shall obligate the City to pay or to reimburse the Developer for any cost that is not incurred pursuant to Section 11-74.4-3 of the TIF Act and that does not qualify under Section 11-74.4-3 (q) as determined by the City. The Developer shall, at the City's request, provide (a) itemized invoices, receipts or other information, if any, requested by the City to confirm that any such costs are so incurred and do so qualify, and (b) an opinion of counsel to the Developer that such cost is eligible for reimbursement under the TIF Act.

5.5 City's Obligations Limited to Special Allocation Fund Notwithstanding any other term or provision of this Agreement, the City's obligations pursuant to this Agreement are limited to monies in the Special Allocation Fund, and from no other source, up to the Reimbursement Limit, should the Work be completed. This agreement does not compel the City's General Fund, or any other source of funds, to provide monies for any amount or obligation identified herein. In the event monies are not available in the Special Allocation Fund during any certain year to satisfy the City's obligations for payment of the Developer's Share, those obligations will carry forward and be payable at the time when monies do become available for payment.

6. Notices Any notice, demand, or other communication required by this Agreement to be given by either party hereto to the other shall be in writing and shall be sufficiently given or delivered if dispatched by certified United States First Class Mail, postage prepaid, or delivered personally,

- | | |
|---|---|
| 1) In the case of the Developer, to:
Gerhard Properties, LLC
Attn: Steve Wilke
3500 Lebanon Ave.
Shiloh, IL 62221 | 2) In the case of the City, to:
City of Carlyle
Attn: TIF Administrator
850 Franklin Street
Carlyle, Illinois 62231 |
|---|---|

or to such other address with respect to either party as that party may, from time to time, designate in writing and forward to the other as provided in this Section.

7. Conflict of Interest The parties agree to abide by all applicable federal, state and local laws, ordinances and regulations relating to conflict of interest. Additionally, but not in limitation of the foregoing, no member of the City Council or any branch of government of the City who has any power of review or approval of any of the undertakings contemplated herein shall participate in any decisions relating thereto which affect his or her personal interests or

the interests of any corporation, partnership or other entity in which he or she is directly or indirectly interested. Any member, official, employee or agent of the City now having or subsequently acquiring any personal interest, direct or indirect, or now having or subsequently acquiring any interest in any corporation, partnership or association which has any interest in the Redevelopment Area, or in any contract or proposed contract in connection with the redevelopment, rehabilitation or financing of the Redevelopment Area, shall immediately disclose in writing to the City Council the nature of such interest and seek a determination with respect to such interest by the City Council and in the meantime shall not participate in or attempt to influence any actions or discussions relating to the Redevelopment Area.

8. Maintenance of Redevelopment Area The Developer shall maintain or cause to be maintained all of the Work and the Developer's Portion of the Redevelopment Project, the Property and all buildings and improvements within its control in the Redevelopment Area in accordance with all federal, state and local laws, regulations, codes and ordinances.

9. Representative Not Personally Liable No official, agent, employee, or representative of the City shall be personally liable to the Developer in the event of any default or breach by any party under this Agreement, or for any amount which may become due to any party or on any obligations under the terms of this Agreement.

10. Release and Indemnification

(a) Developer covenants and agrees that the City and its governing body members, officers, agents, servants and employees shall not be liable for, and agrees to indemnify and hold harmless the officers, agents, servants, and employees thereof against, any loss or damage to property or any injury to or death of any person occurring at or about or resulting from any defect in the Acquisition of the Property or construction of the Work.

(b) The City and its governing body of members, officers, agents, servants, and employees shall not be liable for any damage or injury to the persons or property of the Developer or any of its Affiliates or its officers, agents, servants or employees or any other person who may be about the Property Work due to any act of negligence of any person except to the extent that such liability is covered by and payable under applicable liability insurance.

(c) All covenants, stipulations, promises, agreements and obligations of the City contained herein shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the City and not of any of its governing body members, officers, agents, servants or employees in their individual capacities.

(d) No official, employee, agent or representative of the City shall be personally liable to the Developer or any of its Affiliates in the event of a default or breach by any party under this Agreement.

(e) Notwithstanding anything herein to the contrary, the City shall not be liable to the Developer or any of its Affiliates for damages arising in any way from this Agreement, or any other obligation or agreement made in connection therewith or from any breach thereof, or arising from a declaration by a final judgment by a court of competent jurisdiction that all or any portion of the Act is unconstitutional or that any ordinance of the City adopted in connection with the Redevelopment Proposal, Redevelopment Plan or the TIF Act is invalid or unconstitutional in whole or in part; provided that nothing in this Section shall limit claims by Developer or any of its Affiliates against the Special Allocation Fund or actions by Developer seeking specific performance of relevant contracts.

(f) The Developer agrees to indemnify and hold the City, its employees, agents and independent contractors, harmless from, and against any and all suits, claims, damages, liabilities and costs and attorney's fees (a "claim"), resulting from, arising out of, or in any way connected with (1) the Redevelopment Plan or Redevelopment Proposal or their approval, (2) this Agreement, the City's ownership, control, operation or condition of all or any part of the property located within the Property; or any other agreement or obligation made in connection therewith or their approvals, (3) any legal action brought challenging all or any of the foregoing or challenging or counterclaiming in any eminent domain action, (4) the construction of the Work, and (5) the negligence or willful misconduct of the Developer, its employees, agents or independent contractors in connection with the management, development, redevelopment and construction of the Work. In any action concerning or to enforce any of the terms and conditions of this Agreement or any related obligations of Developer, the Developer shall pay all the City's expenses, attorney's fees, and costs and the City may withhold from any amounts otherwise due the Developer under this Agreement or any other obligation of the City to the Developer, any amounts due from the Developer under this Agreement or any other obligation of the Developer to the City.

11. Nondiscrimination In the performance of their obligations hereunder, Developer shall not discriminate on the basis of race, religion, sex, color, national origin, veteran status, age or physical handicap, and the parties shall take such affirmative action as may be appropriate to afford opportunities to everyone in all operations on the Property, including enforcement, contracting, operating, maintenance and purchasing. Developer shall comply with all applicable federal, state and local laws, ordinances, executive orders and regulations regarding equal employment, nondiscrimination and affirmative action.

12. Representation of the City The City represents and warrants that:

(a) Organization and Authority The City (i) is an Illinois municipal corporation, and (ii) has full corporate power to execute and deliver and perform the terms and obligations of this Agreement. The City has been authorized by all necessary action to execute and deliver this Agreement, which shall constitute the legal, valid and binding obligation of the City, enforceable in accordance with its terms.

(b) No Defaults or Violations of Law The execution and delivery of this Agreement will not conflict with or result in a breach of any of the terms of, or constitute a default under any indenture, mortgage, deed of trust, lease or other agreement or instrument to which the City is a party of by which it is bound or the City's charter, or any of the rules or regulations applicable to the City.

13. Representations of the Developer The Developer represents and warrants that:

(a) Organization and Authority The Developer (i) is duly organized under the laws of the State of Illinois and is in good standing under the laws of the State of Illinois, and (ii) has full corporate power to execute and deliver and perform the terms and obligations of this Agreement. The Developer has been authorized by all necessary corporate action to execute and deliver this Agreement, which shall constitute the legal, valid and binding obligation of the Developer, enforceable in accordance with its terms and that the Agreement shall constitute the legal, valid and binding obligation of the Developer enforceable by City in accordance with its terms.

(b) No Defaults or Violations of Law The execution and delivery of this Agreement, and the General Contract by the Developer will not conflict with or result in a breach of any of the terms of, or constitute a default under, any indenture, mortgage, deed of trust, lease or other agreement or instrument to which the Developer is a party or by which they are bound or their respective articles incorporation, bylaws, or any of the rules or regulations applicable to the Developer of any court or other governmental body.

(c) Pending Litigation Except with regard to those matters which counsel to the City and counsel to the Developer have discussed, no litigation, proceedings or investigations are pending or, to the knowledge of the Developer, threatened against the Developer, except claims which if adversely determined will not, in the opinion of counsel to the Developer, materially and adversely affect the financial condition or operations of the Developer. In addition (except with regard to those matters which counsel to the City and counsel to the Developer have discussed), no litigation, proceedings or investigations are pending or, to the knowledge of the Developer, threatened against the Developer seeking to restrain, enjoin or in any way limit the approval or issuance and delivery of this Agreement by the Developer or which would in any manner challenge or adversely affect the corporate existence or powers of the Developer to enter into and carry out the transactions described in or contemplated by the execution, delivery, validity or performance by the Developer of the terms and provisions of this Agreement.

(d) Full Disclosure There is no fact which the Developer has not disclosed to the City in writing which materially affects adversely or, so far as the Developer can now foresee, will materially affect adversely the financial condition of the Developer or its ability to own and operate its properties or to carry out its obligations under this Agreement or the General Contract.

14. Inspection The Developer shall allow authorized representatives of the City access to the work site from time to time upon reasonable advance notice prior to the completion of the Work for reasonable inspection thereof.
15. Choice of Law This Agreement shall be taken and deemed to have been fully executed by parties in, and governed by the laws of, the State of Illinois for all purposes and intents.
16. Entire Agreement; Amendment The parties agree that this Agreement constitutes the entire agreement between the parties and that no other agreements or representations other than those contained in this Agreement have been made by the parties. This Agreement shall be amended only in writing and effective when signed by the authorized agents of the parties.
17. Entire Agreement; Termination The City shall retain the right to terminate this Agreement at any of the following moments: (i) the Reimbursement Limit is reached; (ii) the date the Carlyle Tax Increment Financing Area #2 (TIF #2) expires; (iii) the Developer has failed to meet to the deadlines for the start or completion of the Work as outlined within section 2.1, and no extensions have been granted.
18. Prevailing Wage The Developer agrees that any work performed by or for the Developer under this Agreement shall comply with all applicable provisions of the prevailing wage laws and with all other applicable laws, ordinances, and regulations governing fair labor practices.
19. Severability In the event any term or provision of this Agreement is held to be unenforceable by a court of competent jurisdiction, the remainder shall continue in full force and effect, to the extent the remainder can be given effect without the invalid provision.
20. Assignment The rights and obligations of the Developer under this Agreement shall be fully assignable by means of written notice to the City. The City shall not unreasonably withhold its consent provided that the nature of the Redevelopment Project is not substantially changed. No such assignment shall be deemed to release the Developer of its obligations to the City under this Agreement unless the specific consent of the City to release the Developer's obligations is first obtained in writing.

SIGNATURE PAGE TO FOLLOW

IN WITNESS WHEREOF, the City and Developer have caused this Agreement to be executed in their respective names and caused their respective seals to be affixed thereto, and attested as to the date first above written.

"CITY"

CITY OF CARLYLE, ILLINOIS

DATE _____

The Honorable Judy Smith, Mayor

"DEVELOPER"

GERHARD PROPERTIES, LLC

DATE _____

By: Steve R. Wilke, Manager

APPENDIX A

PROJECT LOCATION

ADDRESS: 2517 Franklin Street, Carlyle, IL (Carlyle TIF #2)

PIN: 08-07-13-301-001

LEGAL: SECTION 13 TOWNSHIP 2N RANGE 3W PT SW 6.62A

MAP:



EXHIBIT 1

Calculation of Incremental Tax Revenue & Developer's Share

The following is an example of how the Incremental Tax Revenue & Developer's Share may be calculated during any given year during the duration of the Agreement.

1. Calculation of "Incremental Tax Revenue" (ITR)

(T) Total Initial Equalized Assessed Value: \$138,734 (Constant)

(C) Then Current Equalized Assessed Valuation: \$238,734 (Variable by year)

(R) Total Tax Rate During Year of Assessment: 7.5000% (Variable by year)

$$\text{ITR} = (\text{C}-\text{T}) \times \text{R}$$

$$\text{ITR} = (\$238,734 - \$138,734) \times 7.5\%$$

$$\text{ITR} = (\$100,000) \times 7.5\%$$

Incremental Tax Revenue = \$7,500

2. Calculation of Reimbursement Payment (RP) in accordance with "Developer's Share" (DS)

(ITR) Incremental Tax Revenue: \$7,500 (Variable by year)

(DS) Developer's Share: 80% (Constant)

$$\text{RP} = (\text{ITR} \times \text{DS})$$

$$\text{RP} = (\$7,500 \times 80\%)$$

Reimbursement Payment = \$6,000.00

EXHIBIT 2

Example Payment Schedule

The following payment schedule assumes that the first year of full assessment will be 2021.

CURRENT YEAR	YEAR ASSESSED	YEAR COLLECTED/ PAYMENT REIMBURSED	Payment Number
2021	2021	2022	1
2022	2022	2023	2
2023	2023	2024	3
2024	2024	2025	4
2025	2025	2026	5
2026	2026	2027	6
2027	2027	2028	7
2028	2028	2029	8
2029	2029	2030	9
2030	2030	2031	10
2031	2031	2032	11
2032	2032	2033	12
2033	2033	2034	13

Payments will be based on the amount of Incremental Tax Revenue generated by the Property during that specific year for which taxes are collected (taxes assessed in 2021 will be collected and reimbursed in 2022).

At the time of execution of this agreement, the exact dollar figure of Eligible Redevelopment Project Costs is unknown. Actual eligible costs will have to be determined upon completion of the project and submission of proof of costs incurred to be verified and accounted for by the City. The total payment the Developer may receive in accordance with this agreement will be limited by those approved costs.

EXHIBIT 3

REQUEST FOR REIMBURSEMENT

Request for Reimbursement of Eligible Redevelopment Project Costs

TO: TIF Administrator
Carlyle City Hall
850 Franklin St.
Carlyle, Illinois 62231

You are hereby requested and directed as per the Redevelopment Agreement between the City of Carlyle, IL and _____ to pay the Developer's Share from the Special Allocation Fund (TIF #2) for Incremental Tax Revenue generated on parcel(s): _____ during the _____ payable _____ property tax period, for those TIF eligible costs items related to the following Redevelopment Project Costs:

<u>Vendor</u>	<u>Description of Work Performed</u>	<u>Amount</u>

_____ Check here if you have no new costs to submit with this request.

Total Costs Submitted: _____ Request # _____

Terms not otherwise defined herein shall have the meaning ascribed to such terms in the Redevelopment Agreement. The undersigned is the Developer under the Redevelopment Agreement which request is being made between the City and the Developer.

The undersigned, on behalf of the Developer, hereby states and certifies to the City that:

1. Each item listed above is a Redevelopment Project Cost and was incurred in connection with the construction of the Redevelopment Project.
2. All real estate and sales taxes attributable to the Property have been paid in full proof of which is attached to this Request for Payment.
3. These Redevelopment Project Costs have been incurred by the Developer and have been paid by the Developer and are payable or reimbursable under the Redevelopment Agreement.
4. Each item listed above has not previously been paid or reimbursed from moneys in the Special Allocation Fund and no part thereof has been included in any other certificate previously filed with the City.
5. There has not been filed with or served upon the Developer any notice of any lien, right of lien or attachment upon or claim affecting the right of any person, firm or corporation to receive payment of the amounts stated in this requires, except to the extent that any such lien is being contested in good faith.
6. All necessary permits and approvals required for the portion of the Work on the Redevelopment Project for which this certificate relates have been issued and are in full force and effect.
7. All work for which payment or reimbursement is requested has been performed in a good and workmanlike manner and in accordance with the Construction Plans.

Dated this _____ day of _____, 20____

Gerhard Properties, LLC

By: _____

Title(s) Manager_____

Approved for Payment:

CITY OF CARLYLE, ILLINOIS

By: _____

ATTACHMENT K

City of Carlyle, Illinois
Illinois Tax Increment Financing District

FINANCIAL STATEMENTS

April 30, 2020

City of Carlyle, Illinois
Illinois Tax Increment Financing District

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GLASS AND SHUFFETT, LTD.

Certified Public Accountants

Members:
American Institute of
Certified Public Accountants
Illinois Society of
Certified Public Accountants

1819 West McCord
P.O. Box 489
Centralia, Illinois 62801
(618) 532-5683
FAX (618) 532-5684

Associate Office
961 Fairfax
P.O. Box 322
Carlyle, Illinois 62231
618-594-4737

Independent Auditors' Report

August 24, 2020

Honorable Mayor and Members of the Board of Aldermen
City of Carlyle, Illinois
Carlyle, Illinois 62231

Report on Financial Statements

We have audited the accompanying financial statements of the Illinois Tax Increment Financing District of the City of Carlyle, Illinois as of and for the year ended April 30, 2020, and the related notes to the financial statements, which collectively comprise the City'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.

Auditors' Responsibility

Our responsibility is to express an opinion 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. 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 auditors' 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 entity'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 entity'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.

Basis for Adverse Opinion

As discussed in Note #1, the financial statements present only the Illinois Tax Increment Financing District. Accounting principles generally accepted in the United States of America require that City of Carlyle, Illinois' financial statements present the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Carlyle, Illinois.

Honorable Mayor and Members of the Board of Aldermen

August 24, 2020

Adverse Opinion

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion” paragraph, the financial statements referred to above do not present fairly the financial position of City of Carlyle, Illinois as of April 30, 2020, or the changes in the financial position or cash flows thereof for the year then ended.

Unmodified Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Illinois Tax Increment Financing District of the City of Carlyle, Illinois, as of April 30, 2020, and the changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Respectfully submitted,

Centralia, Illinois

City of Carlyle, Illinois
 Illinois Tax Increment Financing District
 BALANCE SHEET
 April 30, 2020

	Illinois Tax Increment Financing District			Total
	TIF-1	TIF-2	TIF-3	
<u>ASSETS</u>				
Cash in Bank	\$ 124,627	\$ 1,735	\$ 64,176	\$ 190,538
Accrued Interest	-	-	-	-
Total Assets	<u>\$ 124,627</u>	<u>\$ 1,735</u>	<u>\$ 64,176</u>	<u>\$ 190,538</u>
<u>LIABILITIES</u>				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Total Liabilities	-	-	-	-
<u>FUND BALANCES</u>				
Fund Balances (Deficit)	216,112	1,735	64,176	190,538
Total Liabilities and Fund Balances	<u>\$ 216,112</u>	<u>\$ 1,735</u>	<u>\$ 64,176</u>	<u>\$ 190,538</u>

The accompanying notes are an integral part of these financial statements.

City of Carlyle, Illinois
 Illinois Tax Increment Financing District
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 Year Ended April 30, 2020

	Illinois Tax Increment Financing District			Total
	TIF-1	TIF-2	TIF-3	
Revenues:				
Property Taxes	\$ 376,585	\$ 598,493	\$ 52,708	\$ 1,027,786
Interest on Investments	2,099	1,851	951	4,901
Total Revenues	378,684	600,344	53,659	1,032,687
Expenditures:				
Improvements	8,550	7,288	943	16,781
Payments in Lieu of Taxes	217,125	632,998	34,513	884,636
Administrative Expenses	31,524	49,863	10,790	92,177
Total Expenditures	257,199	690,149	46,246	993,594
Excess (Deficiency) of Revenues Over Expenditures	121,485	(89,805)	7,413	39,093
Other Financing Sources (Uses):				
Loan Proceeds	-	-	-	-
Transfers In	-	90,000	-	90,000
Transfers Out	(30,000)	-	(60,000)	(90,000)
Total Other Financing Sources (Uses)	(30,000)	90,000	(60,000)	-
Net Change in Fund Balances	91,485	195	(52,587)	39,093
Fund Balances:				
Beginning of Year	124,627	1,540	116,763	242,930
End of Year	\$ 216,112	\$ 1,735	\$ 64,176	\$ 282,023

The accompanying notes are an integral part of these financial statements.

City of Carlyle, Illinois
 Illinois Tax Increment Financing District
 STATEMENT OF REVENUES RECEIVED, EXPENDITURES PAID AND CHANGES IN FUND BALANCES -
 BUDGETARY BASIS
 Year Ended April 30, 2020

	Illinois Tax Increment Financing District			
	TIF-1		TIF-2	
	Budget	Actual	Budget	Actual
Revenues Received:				
Property Taxes	\$ 369,622	\$ 376,585	\$ 607,450	\$ 598,493
Interest on Investments	700	2,099	620	1,851
	<hr/>			
Total Revenues Received	370,322	378,684	608,070	600,344
	<hr/>			
Expenditures Paid:				
Improvements	22,700	8,550	100,024	7,288
Payments in Lieu of Taxes	371,423	217,125	631,943	632,998
Administrative Expenses	31,524	31,524	49,863	49,863
	<hr/>			
Total Expenditures Paid	425,647	257,199	781,830	690,149
	<hr/>			
Excess (Deficiency) of Revenues Received Over Expenditures Paid	(55,325)	121,485	(173,760)	(89,805)
	<hr/>			
Other Financing Sources (Uses):				
Transfers From (To) Other Funds	(68,628)	(30,000)	173,391	90,000
	<hr/>			
Excess (Deficiency) of Revenues Received and Other Financing Sources Over Expenditures Paid and Other Financing Uses	(123,953)	91,485	(369)	195
	<hr/>			
Fund Balances:				
Beginning of Year (Deficit)	124,627	124,627	1,540	1,540
	<hr/>			
End of Year (Deficit)	<u>\$ 674</u>	216,112	<u>\$ 1,171</u>	1,735
	<hr/>			
Adjustments to Conform with GAAP		-		-
	<hr/>			
Fund Balance End of Year (GAAP Basis)		<u>\$ 216,112</u>		<u>\$ 1,735</u>

EXHIBIT C

TIF-3	
Budget	Actual
\$ 52,544	\$ 52,708
100	951
<u>52,644</u>	<u>53,659</u>
19,109	943
34,509	34,513
<u>10,790</u>	<u>10,790</u>
<u>64,408</u>	<u>46,246</u>
(11,764)	7,413
<u>(104,763)</u>	<u>(60,000)</u>
(116,527)	(52,587)
<u>116,763</u>	<u>116,763</u>
<u>\$ 236</u>	64,176
	<u>-</u>
	<u>\$ 64,176</u>

The accompanying notes are an integral part of these financial statements.

City of Carlyle
Illinois Tax Increment Financing District
NOTES TO FINANCIAL STATEMENTS
April 30, 2020

NOTE 1--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General Information

In accordance with the Illinois Tax Increment Allocation Redevelopment Act of the State of Illinois, the City created three tax increment financing (TIF) districts. TIF-1 and 2 were created in 1998. TIF-3 was created in 2006.

TIF-1 encompasses property within the City that is north of the intersection of “New” U.S. 50 and 12th Street and that is zoned commercial or industrial. TIF-2 encompasses commercial and industrial property that is south of this same intersection. Typically, the commercial and industrial property within TIF-2 is located on or near 12th or Franklin Streets. TIF-1 and TIF-2 abut each other near the intersection of “New” U.S. 50 and 12th Street. TIF-3 encompasses property that was annexed by the City in September of 2005 that is commonly referred to as Carlyle’s “West End.” TIF-3 and TIF-2 abut each other along the west property line of Fortis Plastics.

TIF increments are used to incentivize commercial and industrial development in TIF-1 and TIF-2. TIF-3 was created specifically to assist in the development of a residential subdivision at Carlyle’s West End known as Old State Commons. The increment in TIF-1 is used to either reimburse expenses incurred by commercial and industrial developments that are defined as eligible for reimbursements under State law or finance eligible activities undertaken by the City. TIF-2 makes a similar use of the tax increment generated here, but the tax increment that is not pledged pursuant to a redevelopment agreement with a private developer is returned to the taxing districts with taxable property within TIF-2.

TIF-3 is different, as it relates to TIF-1 and TIF-2. TIF-3 is the City’s only TIF district that will assist a residential subdivision (Old State Commons). As provided by State law, the City will share a portion of the increment generated by Old State Commons with the Carlyle Unit School District. Additionally, for a senior residential development known as the “Pointe,” the City will redirect 20% of the increment generated by this project to the School District.

These financial statements reflect only the activity of the City of Carlyle, Illinois, Illinois Tax Increment Financing District funds. The financial statements for the City of Carlyle, Illinois as of April 30, 2020, are separately reported and are not presented herein.

The financial statements for the Illinois Tax Increment Financing District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units.

Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the government’s accounting policies are described below.

Basis of Presentation - Fund Accounting

The City accounts for the activity of the Illinois Tax Increment Financing District in its Capital Project Fund, since capital projects funds (by definition) are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

Basis of Accounting

The City maintains its records on the basis of cash receipts and disbursements. For financial statement presentation purposes, the accounts of the City have been adjusted to reflect assets and liabilities of the capital projects funds on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when received in cash unless susceptible to accrual, i.e., measurable and available. Available means collectible soon enough to be used to pay liabilities of the current period. Taxes, liquor licenses, grants, traffic fines, and investment income are susceptible to accrual under the modified accrual basis of accounting. Expenditures are recorded when the liability is incurred.

Transfers

Transfers of resources from a fund receiving revenue to the fund through which the resources are to be expended are recorded as operating transfers and are reported as other financing sources (uses) in the capital project funds.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Actual results could differ from those estimates.

Budget and Appropriation

The budget and appropriation ordinance for the Illinois Tax Increment Financing District funds is prepared on the cash basis of accounting which is the same basis used to maintain the records. The budget and appropriation ordinance was passed on May 14, 2019 and was not amended. Total fund expenditures may not legally exceed the appropriated expenditures. The budget and appropriation ordinance lapses at the end of each fiscal year.

NOTE 2--EXCESS EXPENDITURES OVER APPROPRIATIONS

There were no expenditures in excess of the appropriation.

ATTACHMENT L

GLASS AND SHUFFETT, LTD.

Certified Public Accountants

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE

August 24, 2020

Honorable Mayor and Members of
the Board of Aldermen
City of Carlyle
Carlyle, Illinois 62231

We have audited the financial statements of the City of Carlyle Illinois, Illinois Tax Increment Financing District as of and for the year ended April 30, 2020, and have issued our report thereon dated, August 24, 2020. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

As part of obtaining reasonable assurance about whether the financial statements for the City of Carlyle, Illinois, Illinois Tax Increment Financing District are free of material misstatement, we performed tests of its compliance with certain provisions of subsection (q) of Section 11-74, 4-3 of the Illinois Compiled Statutes (65 ILCS 5) pertaining to the Tax Increment Act, noncompliance with which could have a direct and material effect on the determination of 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 that are required to be reported.

This report is intended for the information and use of the Board of Aldermen, management, federal and state awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,

Centralia, Illinois

