



**CITY OF NAPERVILLE  
WATER STREET TIF DISTRICT  
JOINT REVIEW BOARD MEETING MINUTES**

December 10, 2020

2:30 p.m.

*Meeting held via Zoom virtual meeting platform*

**A. CALL TO ORDER:**

Rachel Mayer, Finance Director at 2:30pm.

**B. PUBLIC FORUM:**

There were no speakers for Public Forum

**C. DISTRICT INTRODUCTIONS/ROLL CALL:**

Present:

Taxing District:

Warren Dixon – Naperville Township  
Sue Stanish – Naperville Park District  
Paul Hoss – DuPage County  
Brien Nagle – Citizen Member  
Michael Frances – Naperville School District 203  
Rachel Mayer – City of Naperville

City of Naperville Staff:

Bill Novak – Director, T.E.D  
Raymund Munch – Budget Manager, Finance  
Amy Emery – Operations Manager, T.E.D  
Sherrian Kelly – Budget Analyst, Finance

**D. REPORTS AND RECOMMENDATIONS:**

Receive the 2019 Annual Tax Increment Finance (TIF) Report for the Water Street TIF District.

Ray Munch gave a presentation of the 2019 Audit and TIF Annual Report, explaining that the TIF undergoes an annual audit along with City's Financial Audit, which was delayed this year due to the pandemic. The City received the audited results in October of 2020, which was then used to file the annual report with the State. He then completed an overview of the balances for the 2018-2019 Tax year. The Funds' beginning balance was \$5.21 million, with revenues at \$508 thousand, comprised of property tax increment as well as interest in gains on investment. Total expenditures were just over \$11,596 which included final payment on the district project expenses and annual audit fees. A transfer was done in 2019 that represented transfer to the Debt service fund and a return to the City's Bond fund for prior Bond proceeds deposited to the fund; which had exceeded the actual project cost. Ending balance for the fund came in at a little over \$1 million.

He then pointed out the history of the TIF, highlighting the \$3.5 million transfer from the Bond Fund in 2016, that was later returned to the fund in 2019, as it was determined to be in

excess and not used for project costs, as the funds were covered by private developers for their share of the project.

He then discussed the status of TIF and valuations and tax increments for the 2018-2019 taxing period. The frozen valuation did not change, overall tax rates declined a bit, but the fund is still maintaining annual valuation increase at 2.35%. For actual taxes and increment, the valuation of the TIF has increased, thus resulting in a higher tax increment being received into the fund for 2019. Upon evaluating the total debt service for the life of the fund, including final calculation for 2014 & 2016 debt issuances, the TIF owes an estimated \$18.33 million. Whether the TIF will collect enough property tax increments to repay, is up for discussion. It is doubtful it will, as the estimate has trended downward due to indications that the TIF will not reach full valuation per the initial pro forma assumptions; and tax rates have been reduced for some of the taxing bodies that have an impact on the amount of increment received into the fund.

Nagel requested a clarification to the \$3.8 million that was returned to the Bond Fund. As was identified, the bond proceeds cannot be used to repay bond proceeds.

Mayer indicated the bond funds can be repurposed for Capital projects under the borrowing program.

**E. NEW BUSINESS:**

None

**F. ADJOURNMENT:**

There being no other items for discussion, a motion to adjourn was raised by Nagel and seconded by Stanish. The meeting was adjourned at 2:45pm.



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November 6, 2019  
3:00 p.m.

Rachel Mayer, Finance Director City of Naperville called the meeting to order at 3:09pm.

She introduced the Staff present (Erik Hallgren, Amy Emery, Bill Novak and Judy Lyons).

She then called Roll Call. Mike Frances, Chief Finance Officer, Naperville Unit Community School District 203 and Brian Nagle, Member at Large were in attendance.

Mayer inquired whether anyone had signed up for public comment. Hallgren reported that no one had signed up to speak.

Mayer then provided an overview of the Water Street TIF activity for the calendar year 2018. She noted that there were no new developments to the district. She then explained what information was provided on the subsequent pages of the Annual Report. She explained the sources of the fund balance and that the amount designated from the 2014 General Obligation Bond series exceeded the amount needed for the development by \$4.4 million and would be transferred back to the City. She completed the review by noting that the initial EAV was \$1.8 million and the current EAV is \$4.97 million.

Mayer then introduced Erik Hallgren and explained that he would give a presentation of the Water Street TIF budget projection over the life cycle of the District.

Hallgren reviewed the funding sources of the District including the allocation to City G.O. Bonds and contributions from the Downtown Parking Fund.

Hallgren explained the growth in the EAV. Mike Frances questioned how the EAV is calculated and why it fluctuated. Hallgren responded that the EAV will fluctuate from year to year based on property values. In addition, the EAV decreased when the property related to the parking deck was transferred from the TIF district to become public property. Frances noted that the base EAV should stabilize and Hallgren agreed.

Hallgren completed his presentation. Mayer asked if there were any additional questions.

There being none, the meeting was adjourned at 3:26pm.