ELLEN DIVITA
DIRECTOR
Economic Development

22 South First Street
Geneva, Illinois 60134-2291
Tel: (630) 232-7449
Fax: (630) 232-1494
Email: edivita@geneva.il.us

City of Geneva

October 3, 2011

Office of the Illinois Comptroller
Local Government Division
Suite 15-500
100 W. Randolph Street
Chicago, IL 60601

Dear Sir/Ms:

Enclosed please find the following documents for the City of Geneva's April 30, 2011 City's East State Street Tax Increment Financing District:

- Compliance letter signed by Mayor Kevin Burns
- Compliance letter signed by City Attorney Radovich
- Attestation as to accuracy and completeness of the Finance Report by the TIF Administrator
- Activities Statement
- City of Geneva compliance letter and audited financial statement for period ended April 30, 2011

It is my hope that this satisfactorily completes our year-end reporting requirements.

Please contact me if you have any questions.

Sincerely,

Ellen Divita

Ellen Divita
Economic Development Director

CC Mayor Kevin Burns
City Attorney Radovich
Finance Officer Dahl
Economic Development Office

FY 2011
ANNUAL TAX INCREMENT FINANCE REPORT

STATE OF ILLINOIS
COMPTROLLER
JUDY BAAR TOPINKA

Name of Municipality:	Geneva	Reporting Fiscal Year:	**2011**
County:	Kane	Fiscal Year End:	4/30/**2011**
Unit Code:	045-045-30		

TIF Administrator Contact Information

First Name:	Ellen	Last Name:	Divita
Address:	22 S. First St.	Title:	Director Economic Development
Telephone:	630-232-7449	City:	Geneva Zip: 60134
E-Mail:	edivita@geneva.il.us		

I attest to the best of my knowledge, this report of the redevelopment project areas in: City/Village of Geneva, Illinois is complete and accurate at the end of this reporting Fiscal year under the Tax Increment Allocation Redevelopment Act [65 ILCS 5/11-74.4-3 et. seq.] Or the Industrial Jobs Recovery Law [65 ILCS 5/11-74.6-10 et. seq.]

Ellen Divita — 10/11/11

Written signature of TIF Administrator — Date

Section 1 (65 ILCS 5/11-74.4-5 (d) (1.5) and 65 ILCS 5/11-74.6-22 (d) (1.5)*)

FILL OUT ONE FOR EACH TIF DISTICT

Name of Redevelopment Project Area	Date Designated	Date Terminated
East State Street	2/12/2000	Due 2023

*All statutory citations refer to one of two sections of the Illinois Municipal Code: the Tax Increment Allocation Redevelopment Act [65 ILCS 5/11-74.4-3 et. seq.] or the Industrial Jobs Recovery Law [65 ILCS 5/11-74.6-10 et. seq.]

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

Name of Redevelopment Project Area:	East State Street
Primary Use of Redevelopment Project Area*:	Mixed
If "Combination/Mixed" List Component Types:	Commercial and Residential
Under which section of the Illinois Municipal Code was Redevelopment Project Area designated? (check one): **Tax Increment Allocation Redevelopment Act __X___ Industrial Jobs Recovery Law _____**	

	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
Were there any 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 undertaken? [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 or meeting minutes submitted to the municipality by 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 municipality? [65 ILCS 5/11-74.4-5 (d) (8) (A) and 5/11-74.6-22 (d) (8) (A)] **If yes, please enclose the Official Statement labeled Attachment I**	X	
Was 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 yes, please enclose the Analysis labeled Attachment J**	X	
Cumulatively, have deposits equal or greater than $100,000 been made 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 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, please enclose a certified letter statement reviewing compliance with the Act labeled Attachment L**		X
A list of all intergovernmental agreements in effect in FY 2010, 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 list only of the intergovernmental agreements labeled Attachment M**	X	

* Types include: Central Business District, Retail, Other Commercial, Industrial, Residential, and Combination/Mixed.

SECTION 3.1 - (65 ILCS 5/11-74.4-5 (d) (5) and 65 ILCS 5/11-74.6-22 (d) (5))
Provide an analysis of the special tax allocation fund.

	Reporting Year	Cumulative
Fund Balance at Beginning of Reporting Period	$585,006	

Revenue/Cash Receipts Deposited in Fund During Reporting FY:

			% of Total
Property Tax Increment	$301,046	$ 1,536,180	56%
State Sales Tax Increment			0%
Local Sales Tax Increment			0%
State Utility Tax Increment			0%
Local Utility Tax Increment			0%
Interest	$ 2,426	$ 47,238	2%
Land/Building Sale Proceeds			0%
Bond Proceeds		$ 800,000	29%
Transfers from Municipal Sources			0%
Private Sources			0%
Other (identify source _____; if multiple other sources, attach schedule)		$ 349,263	13%

Total Amount Deposited in Special Tax Allocation Fund During Reporting Period	$ 303,472		
Cumulative Total Revenues/Cash Receipts		$ 2,732,681	100%
Total Expenditures/Cash Disbursements (Carried forward from Section 3.2)	$ 195,444		
Distribution of Surplus			
Total Expenditures/Disbursements	$ 195,444		
NET INCOME/CASH RECEIPTS OVER/(UNDER) CASH DISBURSEMENTS	$ 108,028		
FUND BALANCE, END OF REPORTING PERIOD	$ 693,034		

- if there is a positive fund balance at the end of the reporting period, you must complete Section 3.3

SECTION 3.2 A- (65 ILCS 5/11-74.4-5 (d) (5) and 65 ILCS 5/11-74.6-22 (d) (5))
ITEMIZED LIST OF ALL EXPENDITURES FROM THE SPECIAL TAX ALLOCATION FUND
(by category of permissible redevelopment cost, amounts expended during reporting period)

FOR AMOUNTS >$10,000 SECTION 3.2 B MUST BE COMPLETED

Category of Permissible Redevelopment Cost [65 ILCS 5/11-74.4-3 (q) and 65 ILCS 5/11-74.6-10 (o)]

		Reporting Fiscal Year
1. Costs of studies, administration and professional services—Subsections (q)(1) and (o) (1)		
	$77,347	
	$994	
		$ 78,341
2. Cost of marketing sites—Subsections (q)(1.6) and (o)(1.6)		
		$ -
3. Property assembly, demolition, site preparation and environmental site improvement costs. Subsection (q)(2), (o)(2) and (o)(3)		
		$ -
4. Costs of rehabilitation, reconstruction, repair or remodeling and replacement of existing public buildings. Subsection (q)(3) and (o)(4)		
		$ -
5. Costs of construction of public works and improvements. Subsection (q)(4) and (o)(5)		
		$ -
6. Costs of removing contaminants required by environmental laws or rules (o)(6) - Industrial Jobs Recovery TIFs ONLY		
		$ -
7. Cost of job training and retraining, including "welfare to work" programs Subsection (q)(5), (o)(7) and (o)(12)		
		$ -
8. Financing costs. Subsection (q) (6) and (o)(8)		
	117,103	

		$ 117,103
9. Approved capital costs. Subsection (q)(7) and (o)(9)		
		$ -
10. Cost of Reimbursing school districts for their increased costs caused by TIF assisted housing projects. Subsection (q)(7.5) - Tax Increment Allocation Redevelopment TIFs ONLY		
		$ -
11. Relocation costs. Subsection (q)(8) and (o)(10)		
		$ -
12. Payments in lieu of taxes. Subsection (q)(9) and (o)(11)		
		$ -
13. Costs of job training, retraining advanced vocational or career education provided by other taxing bodies. Subsection (q)(10) and (o)(12)		
		$ -
14. Costs of reimbursing private developers for interest expenses incurred on approved redevelopment projects. Subsection (q)(11)(A-E) and (o)(13)(A-E)		
		$ -
15. Costs of construction of new housing units for low income and very low-income households. Subsection (q)(11)(F) - Tax Increment Allocation Redevelopment TIFs ONLY		
		$ -
16. Cost of day care services and operational costs of day care centers. Subsection (q) (11.5) - Tax Increment Allocation Redevelopment TIFs ONLY		
		$ -

TOTAL ITEMIZED EXPENDITURES		$ 195,444

Section 3.2 B

List all vendors, including other municipal funds, that were paid in excess of $10,000 during the current reporting year.

_____ **There were no vendors, including other municipal funds, paid in excess of $10,000 during the current reporting period.**

Name	Service	Amount
FIFTH THIRD BANK	DEBT SERVICE	$ 117,103.00

SECTION 3.3 - (65 ILCS 5/11-74.4-5 (d) (5) 65 ILCS 11-74.6-22 (d) (5))
Breakdown of the Balance in the Special Tax Allocation Fund At the End of the Reporting Period
(65 ILCS 5/11-74.4-5 (d) (5) (D) and 65 ILCS 5/11-74.6-22 (d) (5) (D))

FUND BALANCE, END OF REPORTING PERIOD	$ 693,034

1. Description of Debt Obligations	**Amount of Original Issuance**	**Amount Designated**
TIF BONDS, 2006 SERIES	$ 450,000	$ 369,934
Total Amount Designated for Obligations	$ 450,000	$ 369,934

2. Description of Project Costs to be Paid		
State Street Improvement Engineering		$ 200,000
NEC East Side Drive and State Street		$ 50,000
Total Amount Designated for Project Costs		$ 250,000

TOTAL AMOUNT DESIGNATED	$ 619,934
SURPLUS*/(DEFICIT)	$ 73,100

* NOTE: If a surplus is calculated, the municipality may be required to repay the amount to overlapping taxing districts (See instructions and statutes)

SECTION 5 - 65 ILCS 5/11-74.4-5 (d) (7) (G) and 65 ILCS 5/11-74.6-22 (d) (7) (G)
Please include a brief description of each project.

_____ No Projects Were Undertaken by the Municipality Within the Redevelopment Project Area

	11/1/99 to Date	Estimated Investment for Subsequent Fiscal Year	Estimated Cost of the Total Project
TOTAL:			
Private Investment Undertaken (See Instructions)	$ 7,802,500		$ 7,802,500
Public Investment Undertaken	$ 1,188,505		$ 1,188,505
Ratio of Private/Public Investment	6 13/23		6 13/23
Project 1: CVS PHARMACY			
Private Investment Undertaken (See Instructions)	$ 3,550,000		$ 3,550,000
Public Investment Undertaken	$ 124,849		$ 124,849
Ratio of Private/Public Investment	28 43/99		28 43/99
Project 2: VALLEY ANIMAL HOSPITAL			
Private Investment Undertaken (See Instructions)	$ 640,000		$ 640,000
Public Investment Undertaken	$ 72,000		$ 72,000
Ratio of Private/Public Investment	8 8/9		8 8/9
Project 3: MUNCHIE P'S			
Private Investment Undertaken (See Instructions)	$ 660,000		$ 660,000
Public Investment Undertaken	$ 29,967		$ 29,967
Ratio of Private/Public Investment	22 1/41		22 1/41
Project 4: DAIRY QUEEN			
Private Investment Undertaken (See Instructions)	$ 300,000		$ 300,000
Public Investment Undertaken	$ 40,000		$ 40,000
Ratio of Private/Public Investment	7 1/2		7 1/2
Project 5: DON'S GAS FOR LESS			
Private Investment Undertaken (See Instructions)	$ 50,000		$ 50,000
Public Investment Undertaken	$ 468,404		$ 468,404
Ratio of Private/Public Investment	8/75		8/75
Project 6: SOUKUP APPLIANCES			
Private Investment Undertaken (See Instructions)	$ 2,500		$ 2,500
Public Investment Undertaken	$ 3,285		$ 3,285
Ratio of Private/Public Investment	35/46		35/46
Project 7: ALDI INC.			
Private Investment Undertaken (See Instructions)	$ 2,600,000		$ 2,600,000
Public Investment Undertaken	$ 450,000		$ 450,000
Ratio of Private/Public Investment	5 7/9		5 7/9
Project 8:			

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

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

__X___ 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:	

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

Project 16:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Optional: Information in the following sections is not required by law, but would be helpful in evaluating the performance of TIF in Illinois.

SECTION 6

Provide the base EAV (at the time of designation) and the EAV for the year reported for the redevelopment project area

Year redevelopment project area was designated	Base EAV	Reporting Fiscal Year EAV

List all overlapping tax districts in the redevelopment project area.
If overlapping taxing district received a surplus, list the surplus.

_____ The overlapping taxing districts did not receive a surplus.

Overlapping Taxing District	Surplus Distributed from redevelopment project area to overlapping districts
	$ -
	$ -
	$ -
	$ -
	$ -
	$ -
	$ -
	$ -
	$ -
	$ -
	$ -
	$ -
	$ -
	$ -
	$ -
	$ -

SECTION 7

Provide information about job creation and retention

Number of Jobs Retained	Number of Jobs Created	Description and Type (Temporary or Permanent) of Jobs	Total Salaries Paid
			$ -
			$ -
			$ -
			$ -
			$ -
			$ -
			$ -

SECTION 8

Provide a general description of the redevelopment project area using only major boundaries:

Optional Documents	Enclosed	
Legal description of redevelopment project area		
Map of District		

Kevin R. Burns
Mayor

ph: 630-232-7494
fx: 630-232-1494
mayorburns@geneva.il.us

City of Geneva
Office of the Mayor
22 South First Street
Geneva, IL 60134

October 3, 2011

Office of the Illinois Comptroller
Local Government Division
Suite 15-500
100 W. Randolph Street
Chicago, IL 60601

To Whom It May Concern:

For the fiscal year ended April 30, 2011, the City of Geneva has complied with all requirements of the Tax Increment Allocation Redevelopment Act for the City's East State Street Tax Increment Financing District.

If there are any questions, please contact Economic Development Director Ellen Divita at 630-232-7449.

Sincerely,

Kevin R. Burns
Mayor

cc: City Administrator McKittrick
City Attorney Radovich
Finance Officer Dahl
Economic Development Office

October 3, 2011

Office of the Illinois Comptroller
Local Government Division
Suite 15-500
100 W. Randolph Street
Chicago, IL 60601

RE: Opinion Regarding Compliance with Public Act 84-1417 (Tax Increment Allocation Redevelopment Act [the "Act], 65 ILCS 5/11-74.4-8a (2007)

Dear Sir:

Please be advised that I am the City Attorney for the City of Geneva, Kane County, Illinois, and I have examined the following Documents relative to the City's East Side Tax Increment Financing District under the Act:

1. Ordinance No. 2000-12, No. 2000-13 and No. 2000-14 approved by the corporate authorities of the City adopting the Redevelopment Plan, designating a portion the East Side Business District of the City as a Redevelopment Project Area, and adopting tax increment allocation financing for the redevelopment area.

2. A Certification by Kevin R. Burns, Mayor of the City, dated October 3, 2011.

I have reviewed the forgoing items, and it is my opinion that the City of Geneva, as of April 30, 2011, is in compliance with the Act.

Yours Very Truly,

Charles A. Radovich
City Attorney – City of Geneva

CAR
CC: Kevin R. Burns, Mayor
Ellen Divita, Economic Development Director

CITY OF GENEVA
22 South First Street, Geneva, Illinois 60134
PHONE 630-232-7494 FAX 630-232-1494

Attachment D

City of Geneva East State Street TIF
FY 2010-2011 Annual Report

In the 2010-2011 Fiscal Year, the City continued to market the properties within the District for commercial redevelopment. Meetings were held with over half of the property owners to check status on any sales plans they may have.

One project, a new commercial construction project, fell through due to franchise agreement issues. A second project has occurred without benefit of TIF, the redevelopment of a restaurant property; the new restaurant is to open in 2011.

New marketing materials were prepared to use in discussion with the commercial brokerage industry.

Phase II Engineering work will begin in the next fiscal year for streetscape widening and improvements.

Joint Review Board
East State Street TIF District
November 18, 2010

The Joint Board of Review Hearing for the East State Street Tax Increment Financing District convened at 3:00 p.m. on Wednesday November 18, 2010 at City Hall, pursuant to Public Notice appearing in the Daily Herald on October 29, 2010. Chair Ellen Divita, City of Geneva Economic Director, called the meeting to order with Christy Powell, Geneva Park District in attendance. Geneva Business Development Specialist, Community Development Director Dick Untch and Ms. Cristallo, Administrative Assistant for Geneva's Economic Development Department also attended.

APPROVAL OF MINUTES

Ms. Powell moved to approve the November 12, 2010 East State Street TIF District Board of Review minutes; Mr. Untch seconded the motion, which passed with a voice vote.

REPORT OF CURRENT PROPERTY VALUE ASSESSMENTS

Director Divita stated the equal assessment value in the District has increased from $7,347,235.00 to $7,394,224.00 in the East State Street TIF District from the 2009 assessment due mainly to Aldi and CVS. She added there have been four new parcels added to the 2010 TIF parcel report with an EAV of "0". These parcels were added as a clean-up measure through the Township Assessor office. Three of the parcels are City owned properties and one is Geneva School District.

REVIEW TIF REPORT

Director Divita reviewed the report with those in attendance and stated the report was filed on time. She added a question had also been added to the report regarding intergovernmental agreements that were in effect for 2010, which there were not. There were no new projects in the past year, therefore the fund is growing. The current fund balance of April 30, 2010 was $456,105.

The bond issued for Aldi contemplated up to $50,000 for assistance with development at the northeast corner East Side Drive and East State Street. The Aronson property remains involved in court actions and there most likely would not be any development until the suit is settled. Director Divita said $200,000 has been designated for engineering design of roadway streetscape improvements for East State Street Enhancement Project (funds would be used only for the portion of the roadway located within the TIF District).

OTHER BUSINESS

Director Divita stated there was discussion regarding paying off the two bonds (Series 2002 & 2007B). The report under consideration is for the City Fiscal Year ending April 30, 2010 and it indicates one final payment remaining on the 2002 Series Bond, with the 2007B bond reaching maturity in 2016. A final decision will be made next year. Bonds can be repaid early without penalty.

Paul Evan, BDS, said he has been visiting eastside property owners regarding redevelopment of their properties or selling their properties for development. Ms. Powell, GPD,

DRAFT

asked how you would go about luring business development into these areas. Director Divita answered you would calculate how much additional property tax increment would be created and would be able to offer a TIF district incentives. Direct Untch added you give them guidance about creating a common business district.

Director Divita noted that last year two potential TIF districts had been discussed but recent developments indicate they will not be established: the Cetron property and the South East Master Plan. The Cetron property does qualify but if the library purchases the property the City would not be interested in establishing a TIF as the public use does not create increment. The area in the southeast portion of the city does not qualify as currently platted. General discussion ensued about downtown planning and developments, and METRA parking improvements.

NEXT MEETING DATE

A meeting date will be in November; this allows time for the audit to be completed.

ADJOURNMENT

There being no further business, Director Untch moved to adjourn the meeting of the East State Street TIF JRB, Christy Powell seconded and the motion passed with a unanimous voice vote.

Respectfully submitted,
Shirlie Cristallo
Administrative Assistant

E:\TIF\E State St TIF\2010\ESS Joint Review Board 11-18-10 minutes.docx

DRAFT

Costabile & Steffens P.C.
Certified Public Accountants

INDEPENDENT ACCOUNTANTS' REPORT

To: Honorable Mayor and
Members of the City Council
City of Geneva, Illinois

We have examined management's assertion included in its representation letter dated September 16, 2011, that the City of Geneva, Illinois, compiled with the provision of subsection (q) of Section 11/74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act (Illinois Public Act 85-1142) for the East State Street TIF district during the year ended April 30, 2011. As discussed in that representation letter, management is responsible for the City of Geneva, Illinois' compliance with those requirements. Our responsibility is to express an opinion on management's assertion about the City's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the City of Geneva, Illinois' compliance with those requirements and performing such other procedures as we considered necessary in the circumstance: We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the City of Geneva, Illinois compliance with statutory requirements.

In our opinion, management's assertion that the City of Geneva, Illinois, complied with the aforementioned requirements for the year ended April 30, 2011, is fairly stated in all material respects.

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

COSTABILE & STEFFENS PC

Costabile & Steffens PC

Certified Public Accountants

Rolling Meadows, Illinois
September 16, 2011

Frank R. Costabile
Dennis R. Steffens
William H. Stewart

Members
American Institute
of Certified Public
Accountants
and Illinois
Society of CPA's

1805 Hicks Road • Rolling Meadows, Illinois 60008 • (847) 776-3700 FAX (847) 776-3775
E-Mail: cscpainfo@aol.com • Website: www.costabile-steffens.com

NOTE 6. - LONG-TERM LIABILITIES (Continued)

D. Revenue Bonds (Continued)

Electric Light Fund

$2,750,000 Series of 2000 Revenue Bonds due in annual installments of $50,000 to $515,000 payable through February 1, 2015, with interest at 6.50% to 5.45%.	$ 435,000
Total Revenue Bonds	$ 16,770,000

Annual debt service requirements to maturity for the revenue bonds are as follows:

Year Ending April 30,	Principal	Interest
2012	$ 1,270,000	$ 791,223
2013	1,360,000	727,043
2014	1,410,000	664,968
2015	1,500,000	599,993
2016	1,300,000	526,237
2017-2021	9,000,000	1,428,405
2022-2024	930,000	22,371
Total	$ 16,770,000	$ 4,760,240

E. Tax Increment Financing Bonds

The government issues bonds where a tax increment financing district is established and sales tax revenue generated in that district is used to pay the debt. Tax increment financing bonds currently outstanding are as follows:

2006 Series Tax Increment Revenue Bond for $450,000 original amount, due in annual installments ranging from $25,000 to $50,000 payable through November 1, 2016, with interest at 4.50%. Fund debt retired by TIF East State Street Construction Fund.	$ 314,809
Total Tax Increment Financing Bonds	$ 314,809

NOTE 6. - LONG-TERM LIABILITIES (Continued)

E. Tax Increment Financing Bonds (Continued)

Annual debt service requirements to maturity for the tax increment financing bonds are as follows:

Year Ending April 30,	Governmental Activities Principal	Interest
2012	$ 50,000	$ 14,625
2013	50,000	12,375
2014	50,000	10,125
2015	50,000	7,875
2016	50,000	5,625
2017-2019	64,804	4,500
Total	$ 314,804	$ 55,125

F. Notes Payable

General Fund

In 2009, the City obtained a loan for $250,000 to use for the purchase of capital equipment. Principal payments of $20,874 to $29,581 are due annually beginning January 15, 2010 through January 15, 2019, with interest at 3.95%. Fund debt retired by General Obligation Bond Fund.	$ 207,427
In 2006, the City obtained a loan for $73,942 to use for the purchase of capital equipment. Principal payments of $13,570 to $16,000 are due annually beginning February 1, 2008 through February 1, 2012, with interest at 4.30%. Fund debt retired by General Obligation Bond Fund.	16,059