

**VILLAGE OF SCHAUMBURG
OLDE SCHAUMBURG CENTRE
TAX INCREMENT FINANCING DISTRICT**

**FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORT
AND COMPLIANCE REPORT**

AS OF AND FOR THE YEAR ENDED APRIL 30, 2013

VILLAGE OF SCHAUMBURG
OLD SCHAUMBURG CENTRE TAX INCREMENT FINANCING DISTRICT
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INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Board of Trustees
Village of Schaumburg
Schaumburg, Illinois

Report on the Financial Statements

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Schaumburg, Illinois as of and for the year ended April 30, 2013, and the related notes to the financial statements, which collectively comprise the Village of Schaumburg's basic financial statements and have issued our report thereon dated October 8, 2013.

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 opinions 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from 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 over financial reporting relevant to the Village of Schaumburg'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 Village of Schaumburg'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.

To the Honorable Mayor and Board of Trustees
Village of Schaumburg

Other Matters

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Schaumburg's basic financial statements. The accompanying balance sheets and schedule of revenues, expenditures, and change in fund balances for the Olde Schaumburg Centre Tax Increment Financing District (Olde Schaumburg Centre Special Allocation Fund, 2008 Capital Project Fund and the General Obligation Bonds, Series 2008 Fund) are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying balance sheets and schedule of revenues, expenditures, and change in fund balances for the Olde Schaumburg Centre Tax Increment Financing District (Olde Schaumburg Centre Special Allocation Fund, 2008 Capital Project Fund and the General Obligation Bonds, Series 2008 Fund) are fairly stated in all material respects, in relation to the basic financial statements as a whole.

Report on Other Legal and Regulatory Requirements

We have also issued a report dated October 8, 2013, on our consideration of the Village of Schaumburg Olde Schaumburg Centre Tax Increment Financing District's compliance with laws, regulations, and contracts.

Oak Brook, Illinois
October 8, 2013





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INDEPENDENT AUDITORS' COMPLIANCE REPORT

To the Honorable Mayor and Board of Trustees
Village of Schaumburg
Schaumburg, Illinois

We have audited the basic financial statements of the Village of Schaumburg, as of and for the year ended April 30, 2013, and have issued our report thereon dated October 8, 2013. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance with laws, regulations, and contracts applicable to the Village of Schaumburg is the responsibility of the Village of Schaumburg's management. As part of obtaining reasonable assurance about whether the aforementioned financial statements are free of material misstatements, we performed tests of the Village of Schaumburg's compliance with provisions in Subsection (q) of Section 11-74.4-3 of Public Act 85-1142, "An Act in Relation to Tax Increment Financing", noncompliance with which could have a direct and material effect on the determination of the 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.

This report is intended solely for the information and use of the Village Board, management, the State of Illinois, and others within the Village and is not intended to be, and should not be, used by anyone other than the specified parties.

Oak Brook, Illinois
October 8, 2013

Baker Tilly Virchow Krause, LLP

VILLAGE OF SCHAUMBURG
OLDE SCHAUMBURG CENTRE TAX INCREMENT FINANCING DISTRICT
 BALANCE SHEETS
 AS OF APRIL 30, 2013

	<u>GENERAL OBLIGATION BONDS, SERIES 2008</u>	<u>OLDE SCHAUMBURG CENTRE SPECIAL TAX ALLOCATION</u>	<u>2008 CAPITAL PROJECT</u>
Assets			
Cash and cash equivalents	\$ 1,627	\$ 2,415,262	\$ 770,049
Investments	-	1,602,182	-
Accrued interest	-	282	-
Land held for resale	-	997,209	-
 Total assets	 <u>\$ 1,627</u>	 <u>\$ 5,014,935</u>	 <u>\$ 770,049</u>
Liabilities and Fund Balance			
Liabilities			
Accounts payable	\$ -	\$ 27,690	\$ -
Total liabilities	<u>-</u>	<u>27,690</u>	<u>-</u>
Fund Balance			
Restricted for TIF area development	-	4,987,245	-
Restricted for capital projects	-	-	770,049
Assigned for debt service	<u>1,627</u>	<u>-</u>	<u>-</u>
 Total fund balance	 <u>1,627</u>	 <u>4,987,245</u>	 <u>770,049</u>
 Total liabilities and fund balance	 <u>\$ 1,627</u>	 <u>\$ 5,014,935</u>	 <u>\$ 770,049</u>

VILLAGE OF SCHAUMBURG
OLDE SHAUMBURG CENTRE TAX INCREMENT FINANCING DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED APRIL 30, 2013

	GENERAL OBLIGATION BONDS, SERIES 2008	OLDE SCHAUMBURG CENTRE SPECIAL TAX ALLOCATION	2008 CAPITAL PROJECT
Revenues:			
Taxes	\$ -	\$ 2,429,959	\$ -
Investment income	11	4,487	1,974
Miscellaneous	-	550	-
Total revenues	<u>11</u>	<u>2,434,996</u>	<u>1,974</u>
Expenditures:			
General government	-	53,960	-
Debt service:			
Principal	2,125,000	-	-
Interest and fiscal charges	98,375	-	-
Miscellaneous	500	-	-
Capital outlay	-	92,909	-
Total expenditures	<u>2,223,875</u>	<u>146,869</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(2,223,864)</u>	<u>2,288,127</u>	<u>1,974</u>
Other Financing (Sources):			
Transfers in	2,224,375	-	-
Transfers (out)	-	-	(2,224,375)
Total other financing (sources)	<u>2,224,375</u>	<u>-</u>	<u>(2,224,375)</u>
Net change in fund balance	511	2,288,127	(2,222,401)
Fund balance, beginning of year	<u>1,116</u>	<u>2,699,118</u>	<u>2,992,450</u>
Fund balance, end of year	<u>\$ 1,627</u>	<u>\$ 4,987,245</u>	<u>\$ 770,049</u>