WASHINGTON, PITTMAN & MCKEEVER, LLC

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COOK COUNTY, ILLINOIS
COOK COUNTY LAND BANK AUTHORITY

FINANCIAL AUDIT
GENERAL GOVERNMENTAL AND NONMAJOR SPECIAL PURPOSE FUNDS

FOR THE YEARS ENDED NOVEMBER 30, 2024 AND 2023

COOK COUNTY, ILLINOIS
COOK COUNTY LAND BANK AUTHORITY
FINANCIAL AUDIT
GENERAL GOVERNMENTAL AND NONMAJOR SPECIAL PURPOSE FUNDS
NOVEMBER 30, 2024 AND 2023

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Cook County Land Bank Authority
Cook County, Illinois

Opinions

We have audited the accompanying financial statements of the General Governmental Fund and the Nonmajor Special Revenue Fund of Cook County, Cook County Land Bank Authority, as of and for the years ended November 30, 2024 and 2023, and the related notes to the financial statements, as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the General Governmental Fund and the Nonmajor Special Revenue Fund of Cook County Land Bank Authority, as of November 30, 2024 and 2023, and the respective changes in financial position thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Cook County, Cook County Land Bank Authority, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 1, the financial statements are intended to present the General Governmental Fund and the Nonmajor Special Revenue Fund that is attributable to the transactions of Cook County Land Bank Authority. They do not purport to, and do not, present fairly the financial position of Cook County, Illinois as of November 30, 2024 and 2023, and the changes in its financial position, for the years then ended in accordance with accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Cook County Land Bank Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the financial statements. Such information is the responsibility of management and, although not a part of the financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America,

which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Restricted Use of this Auditor's Report

This report is intended solely for the information and use of Cook County, Illinois, Cook County Land Bank Authority's Board of Directors, and Cook County Land Bank Authority's management and is not intended to be and should not be used by anyone other than these specified parties.

Washington, Pittman & McKeever, LLC

WASHINGTON, PITTMAN & McKEEVER, LLC

Chicago, Illinois
August 15, 2025

The management's discussion and analysis of Cook County Land Bank Authority's (CCLBA) financial performance provides an overall review of the CCLBA's financial activities for the year ended November 30, 2024. The intent of this discussion and analysis is to look at CCLBA's financial performance as a whole in comparison to the prior fiscal year. Readers should review the basic financial statements and notes to enhance their understanding of CCLBA's financial performance.

Reporting on the CCLBA as a Whole

As of November 30, 2024, CCLBA acquired the majority of its current inventory from awarded tax certificates in the 2015, 2017, 2019 and 2021 Scavenger Sale. The Scavenger Sale occurs every two years and consists of properties whose taxes have not been paid in three years or longer. The tax certificate holder has the right to secure the deed to the property if the taxes remain unpaid. The Scavenger Sale certificate properties are evaluated individually by Acquisition Specialists on staff. The Acquisition Specialists are real estate professionals with deep community and economic development experience. They perform market analysis and develop pricing based on property location, property condition, and comparable property sales. They also evaluate municipal development plans and public interest to determine whether to pursue full title. The legal process allows the delinquent taxes to be separated from the asset, removing a major obstacle in property redevelopment. According to the Cook County Land Bank Authority's economic impact study, this activity allows CCLBA to achieve direct impact throughout Cook County. As of November 30, 2024, CCLBA generated over $226mil in Community Wealth and over $31mil, in scavenger sale county redemptions.

CCLBA continues to work in close collaboration with Fannie Mae, Freddie Mac, and the U.S. Department of Housing and Urban Development (HUD). The Homebuyer Direct Program continues in 2024 with Equity Funds that allowed CCLBA to acquire additional inventory through these channels. The purpose of this program is to break down barriers to homeownership and help transform communities by offering homes at below-market prices in neighborhoods across Cook County. This Homebuyer Direct Program initiative helps prospective homebuyers buy, rehab, and ultimately move into the home of their dreams

The Homebuyer Direct program serves two important functions for buyers: helping them build equity during the purchase process and allowing them to incorporate their own ideas into the design of their new home.

Demolition strategies were continued via additional funding of $175,000, $225,000 and $562,000, respectively from the Illinois Housing Development Authority Strong Communities Program 1.0, 1.5 and 2.0 to selectively demolish homes experiencing structural issues affecting the health and safety of the general public throughout Cook County. Lastly, CCLBA staff maintained at sixteen at the end of 2024.

For this eleventh year of operations, there were increases noted in all aspects of the financials as CCLBA grew its portfolio and operations. During 2024, CCLBA acquired 598 properties, sold 233 and demolished 7 properties. Additionally, 544 properties were rehabbed by developers in 2024. During 2023, CCLBA acquired 748 properties, sold 673 and demolished 14 properties. Additionally, 580 properties were rehabbed by developers in 2023.

Reporting on the CCLBA as a Whole *(continued)*

As of November 30, 2024, CCLBA inventory was 2,055 properties which includes 1,643 parcels located in the City of Chicago and 412 parcels located in suburban Cook County. As of November 30, 2023, CCLBA inventory was 1,834 properties which includes 1,521 parcels located in the City of Chicago and 313 parcels located in suburban Cook County.

Cumulatively to date, 2,028 properties were successfully reoccupied by the end of November 30, 2024 with 1,002 located in the City of Chicago, and 1,026 located in suburban Cook County.

Financial Analysis

The statements of revenues, expenditures, and changes in fund balance report information about the CCLBA's activities during the current fiscal year. The difference between assets and liabilities is one way to measure financial health or financial position. Increases or decreases in CCLBA's fund balance is one indicator of whether its financial health is improving or deteriorating. Examples of other nonfinancial factors are changes in economic conditions, changes in the number of distressed properties to be acquired within the County, and new or changed governmental legislation. Increase in staffing is to build organizational capacity and efficiency of CCLBA's operations.

A comparative analysis of the General Governmental Fund balance sheets is presented below:

Table 1
GENERAL GOVERNMENTAL FUND

	2024	2023	Variance	Percentage Change
ASSETS				
Property held for transfer and resale	$ 2,092,912	$ 1,424,524	$ 668,388	47%
Prepaid items	188,781	-	188,781	100%
Total assets	$ 2,281,693	$ 1,424,524	$ 857,169	60%
LIABILITIES				
Accounts payable and accrued liabilities	$ 936,945	$ 10,080	$ 926,865	9195%
Due to other funds	-	157,189	(157,189)	-100%
Total liabilities	936,945	167,269	769,676	460%
DEFERRED INFLOWS of RESOURCES				
Unearned revenue	-	961	(961)	-100%
Total deferred inflows	-	961	(961)	-100%
FUND BALANCE				
Restricted	1,344,748	1,256,294	88,454	7%
Total fund balance	1,344,748	1,256,294	88,454	7%
Total liabilities and fund balance	$ 2,281,693	$ 1,424,524	$ 857,169	60%

Financial Analysis *(continued)*

The table above represents the General Governmental Fund – Grant Fund comparative balance sheet activity derived from the intergovernmental agreement between CCLBA, Metropolitan Water Reclamation District of Greater Chicago (MWRD), and the Forest Preserve District of Cook County (Forest Preserve). CCLBA's Riverside Lawn flood buyout program required CCLBA purchase 23 properties designated as property held for transfer (Riverside Lawn) for the purpose of alleviating flooding risks at the Riverside Lawn region of Cook County Illinois. Once all properties were acquired and demolished, the land was transferred to an appropriate agency (Forest Preserve) and converted to open space and maintained as such in perpetuity. These lands were recorded in the properties held for transfer in table 1 above. At November 30, 2020, CCLBA began transferring the lands in accordance with the agreement, reducing the fund balance from $1,035,000 in 2020 to $180,000 in 2021. On March 1, 2021, CCLBA transferred the deeds of 19 of 23 properties purchased under this agreement to the Forest Preserve. As of November 30, 2024 and 2023, no further transfers have been made and the remaining fund balance is $180,000. These properties are recorded in the restricted fund balance in table 1 above.

In fiscal year 2024, the General Governmental Fund included CCLBA's Equity Fund activities. This fund called CCLBA Equity fund was established in fiscal year 2023 and has $6.27 million allocated from the President's Office to accomplish key economic development initiatives for fiscal year 2024. In fiscal year 2023, the Equity fund had $5 million allocated. Any unspent funds are rolled over for continual programing.

Total assets increased in fiscal year 2024 by 60% or $857,169, CCLBA acquired four additional single-family properties totaling eleven using equity funds totaling $2,092,912 property held for resale for its Fannie Mae/Freddie Mac/Hud initiative to acquire foreclosed property and resell to homebuyers. In addition, a prepaid account was setup with the Title company used by CCLBA for the purchase assistance program that was initiated in fiscal year 2024.

During fiscal year 2023, CCLBA acquired seven single family properties using equity funds totaling $1,244,524 property held for resale for its Fannie Mae/Freddie Mac/Hud initiative to acquire foreclosed property and resell to homebuyers.

Total liabilities increased by $769,676 (460%) due to the following factors: 1) Accounts payable and accrued liabilities increased in fiscal year 2024 as opposed to $167,269 in fiscal year 2023 due to the full year of activity for the Equity Fund which involved grant fund activity related to preservation support and CCLBA's purchase assistance program. Under these programs, funds were reserved to offset CCLBA's preservation expenses toward unreimburseable demolitions, scaffolding, and buyers of CCLBA properties or developer of renovated properties are awarded six percent of the purchase price of a home up to a maximum amount of $20,000 or what the lender requirements will allow. 2) Due to other funds was zero in fiscal year 2024 when compared with fiscal year 2023 where it was $157,189. This was due to 2023 expenditures incurred relating to the Strong Communities Program 1.5 which was paid by the County until grant reimbursement is applied for and received by CCLBA after year end.

The decrease in unearned revenue was $961 which related to the Flood buyout program. This was the amount of excess grant revenue received ($175,000) over expenditures ($174,039) in fiscal year 2023. There was no such occurrence in the fiscal year 2024.

Financial Analysis *(continued)*

Lastly, the increase noted in the total liabilities and fund balance was due to the increase in activities from the equity fund.

A comparative analysis of the General Governmental Fund statements of revenues, expenditures, and changes in fund balance is presented below:

Table 2
GENERAL GOVERNMENTAL FUND

	2024	2023	Variance	Percentage Change
REVENUES				
Miscellaneous	$ 214,314	$ 174,040	$ 40,274	23%
Total Revenues	214,314	174,040	40,274	23%
EXPENDITURES				
Economic and human development				
Contractual services	45,800	158,150	(112,350)	-71%
Operations and maintenance	10,197	174,040	(163,843)	-94%
Contingencies and special purpose	1,595,831	938,423	657,408	70%
Inventory adjustments	48,313	(913,753)	962,066	-105%
Debt Service - interest	792	2,096	(1,304)	-62%
Total expenditures/expenses	1,700,933	358,956	1,341,977	374%
Other Financing Sources (uses)				
Transfers-in	1,575,073	1,261,210	313,863	25%
Other financing sources (uses)	1,575,073	1,261,210	313,863	25%
Net change in fund balance	88,454	1,076,294	(987,840)	-92%
Fund Balance - Beginning	1,256,294	180,000	1,076,294	598%
Fund Balance - Ending	$ 1,344,748	$ 1,256,294	$ 88,454	7%

Table 2 represents the restricted fund balances carried for (i) the remaining four properties held as noted for the flood buyout, activities related to the Strong Communities Program 1.0 and 1.5 in the grant fund; and (ii) the eleven properties purchased using funds available in the Equity Fund. In fiscal year 2024, CCLBA received $214,314 in reimbursements out of $225,000 available which included $158,150 expended in 2023 and the reimbursement received in 2024. In fiscal year 2023, CCLBA received $174,040 in reimbursements out of $175,000 available.

Overall, in fiscal year 2024, the increases in revenue and expenditures are due to engaging in more activities relating to the programs mentioned above using the Equity Fund as opposed to fiscal year 2023.

Financial Analysis *(continued)*

CCLBA also has access to the Special Revenue fund for a significant portion of its activities during the year. A comparative analysis of the Special Revenue Fund balance sheets is presented below:

Table 3
SPECIAL REVENUE FUND

	2024	2023	Variance	Percentage Change
ASSETS				
Due from others	$ 144,002	$ 205,828	$ (61,826)	-30%
Property held for resale	8,827,237	7,814,200	1,013,037	13%
Prepaid items	200,000	200,000	-	0%
Total assets	$ 9,171,239	$ 8,220,028	$ 951,211	12%
LIABILITIES				
Accounts payable	$ 399,794	$ 1,440,253	$ (1,040,459)	-72%
Accrued salaries payable	74,970	65,291	9,679	15%
Due to other funds	8,437,196	14,865,040	(6,427,844)	-43%
Total liabilities	$ 8,911,960	$ 16,370,584	$ (7,458,624)	-46%
FUND BALANCE (DEFICIT)				
Nonspendable	200,000	200,000	-	0%
Unassigned	59,279	(8,350,556)	8,409,835	-101%
Total fund balance (deficit)	259,279	(8,150,556)	8,409,835	-103%
Total liabilities and fund balance (deficit)	$ 9,171,239	$ 8,220,028	$ 951,211	12%

Within the Assets category, in fiscal 2024 total assets increased by $951,211 (12%) as a result of several factors: 1) Due from others decreased by $61,826 (30%) due to timing of year-end property sales for which the receipts had not been received by November 30, 2024. 2) Property held for resale experienced a net increase of $1,013,037 (13%) due to 598 acquisitions and 376 dispositions. Prepaid items remained the same in 2024. The line of prepaid items is the cash collateral held with Chicago Community Loan Fund and is reserved to pay annual 10% of total line available to renew and extend our line of credit.

Total liabilities decreased by $7.4mil (46%) as compared with fiscal year 2023 as a result of several factors: 1) Accounts payable decreased by $1,040,459 (72%) due to timing difference in paying bills. 2) Accrued salaries payable increased by $9,679 (15%) as a result of the number of days being accrued in 2024 (14) as opposed in 2023 (10). 3) Due to other funds decreased by $6.4mil due to the revenues generated by CCLBA being used to pay down the shortfall mentioned below.

Total fund balance increased by $8.4 (103%) as compared with fiscal year 2023 also as a result of several factors: 2) Unassigned increased by $8.4mil (101%) as a result of plans implemented in fiscal year 2023 help reduce the shortfall which continued in fiscal year 2024 and will end in year 2025. The plan is two folds, first to apply cash receipts to the due to other funds with the goal of reducing its liability and second to apply budget appropriation assigned to CCBLA to cover operating expenses from 2023 through 2025.

Financial Analysis *(continued)*

In addition, the redemption of delinquent property taxes by owners due to CCLBA's legal actions are not accounted for in CCLBA's revenue. Recognizing that while CCLBA is generating revenue from property sales, putting properties back on the tax roll by activating vacant and abandoned properties, and triggering payments for tax redemption, those contributions are not quantified in the financial statements. Beginning fiscal year 2023, OCFO and DBMS have agreed on a three-year plan through fiscal year 2025 to subsidize the CCLBA operating expenses while the revenues generated by the CCLBA are used to pay down the shortfall, the impact of which reduced the fund balance (deficit) from ($8.1mil) to $259,279 as of November 30, 2024.

A comparative analysis of the Special Revenue Fund statements of revenues, expenditures, and changes in fund balance is presented below:

Table 4
SPECIAL REVENUE FUND

	2024	2023	Variance	Percentage Change
REVENUES				
Miscellaneous	$ 7,094,210	$ 5,442,551	$ 1,651,659	30%
Total Revenues	7,094,210	5,442,551	1,651,659	30%
EXPENDITURES				
Economic and human development				
Personal services	1,939,031	1,732,116	206,915	12%
Contractual services	1,033,087	975,693	57,394	6%
Supplies and materials	12,779	7,235	5,544	77%
Operations and maintenance	5,146,192	4,137,678	1,008,514	24%
Contingencies and special purpose	1,777,887	1,056,119	721,768	68%
Inventory adjustments	(1,406,297)	295,033	(1,701,330)	-577%
Debt Service - interest	2,527	-	2,527	100%
Total expenditures/expenses	8,505,206	8,203,874	301,332	4%
Other Financing Sources (uses)				
Transfers-in	10,007,043	8,372,599	1,634,444	20%
Transfers-out	(186,212)	(118,278)	(67,934)	57%
Net other financing sources (uses)	9,820,831	8,254,321	1,566,510	19%
Net change in fund balance	8,409,835	5,492,998	2,916,837	53%
Fund Balance (Deficit) - Beginning	(8,150,556)	(13,643,554)	5,492,998	-40%
Fund Balance (Deficit) - Ending	$ 259,279	$ (8,150,556)	$ 8,409,835	-103%

CCLBA's revenues increased by $1,651,659 (30%) in fiscal year 2024 as compared with fiscal year 2024. This was driven by an increase in municipal property sales in fiscal year 2024 as oppose to commercial property sales in 2023.

Financial Analysis *(continued)*

CCLBA's expenditures increased by $301,332 (4%) in fiscal year 2024 over fiscal year 2023 despite the significant decrease in inventory adjustments. There was corresponding increases noted in personal services, operations and maintenance, contingencies and special purpose. The increase in personal services reflects the hiring that took place during the year, the number of staff increase to 19 during the year and there were budgeted salaries increases as well. Operation and maintenance increased due to an increase in the quantity of properties being maintained and more structures needing interior cleanup. Contingencies and special purpose increased due to an increase in professional service budget line used for consulting services as well as an increase in surveys and reports budget line primarily used for a significant increase in scaffolding costs to mitigate public safety hazards.

CCLBA's fund balance increased by $8.4 million (103%) due to the infusion of appropriation transfers in of $10,007,043 used to cover expenditures so that the revenue received during the year would be applied directly to the fund balance shortfall. As noted above, CCLBA has a three-year subsidy plan through fiscal year 2025 supporting CCLBA operating expenditures while the revenues generated by the CCLBA are used to pay down this shortfall.

Overall, the financial position of CCLBA has sustained consistent revenue and consistent expenditures in fiscal year 2024. CCLBA was able to successfully continue its operational needs as it successfully fulfilled its mission.

Budgetary Highlights

CCLBA adopts an annual Operating Budget. The Operating Budget includes proposed expenses and the resources available for financing them. CCLBA's budget remains in effect the entire year and can be revised upon the approval of the Board. A fiscal year monthly budget comparison and analysis is presented to the Board by management as interim financial statements; however, they are not reported nor shown in the financial statement section of this report. The schedule below represents all funds utilized by CCLBA.

Table 5

	Budget	Actual	Variance (Over)/Under
Revenue - Special Revenue Fund	$ -	$ 7,094,210	$ (7,094,210)
Revenue - Equity Fund	6,270,000	1,575,073	4,694,927
Revenue - Grant Fund	787,000	214,314	572,686
Appropriation Transfer	11,958,389	10,007,043	1,951,346
Total Revenue and Appropriation Transfers	19,015,389	18,890,640	124,749
Personal Services	2,270,229	2,125,243	144,986
Contractual Services	1,252,327	1,073,199	179,128
Supplies and Materials	7,500	12,779	(5,279)
Operations and Maintenance	5,204,645	5,156,389	48,256
Rental and Leasing	5,688	5,688	-
Contingencies and Special Purpose	10,275,000	2,019,053	8,255,947
Total Expenses	19,015,389	10,392,351	8,623,038
REVENUES IN EXCESS OF EXPENSES	$ -	$ 8,498,289	$ (8,498,289)

The total budget for CCLBA for fiscal year 2024 was $19mil which consists of $6.2mil relating to the Equity fund, $787,000 relating to various grants and $11.9mil relating to the appropriation transfer in to help with the fund balance shortfall discussed above.

Revenues was less than budgeted amounts by $125,749 due to the fact CCLBA did not utilize all of its budgeted appropriations. Revenue – Special Revenue Fund did increase due to municipal property sales during the year.

Expenses was also less than budgeted amounts by $8.8mil due to CCLBA's effort to curtail operating costs as they refocus on their mission as well as approximately $668,000 being transferred to property held for transfer and resale. As noted above, CCLBA has a three-year subsidy plan through fiscal year 2025 with the County to support CCLBA operating expenses while the revenues generated by CCLBA are used to pay down this shortfall.

Overall, CCLBA's spending in all other categories was below budget. The largest variance was noted in contingencies and special purpose which was less than budgeted by $8.5mil.

CCLBA will continue its efforts to strategically convey its inventory as it eliminates blight and increase homeownership.

Summary and Future Considerations

CCLBA continues to partner with many community development corporations, municipalities, residents and small business owners to increase property ownership in historically dis-invested communities. We aim to re-purpose properties for social service and faith-based organizations serving those same communities, enabling them to extend their reach and impact to more Cook County Residents.

CCLBA also continues to demonstrate its mission that there is a robust market for naturally occurring affordable housing in every community.

Lastly, as noted in the last audit recommendations, CCLBA has increased its communication with the County's Comptroller's Office and is working more collaboratively on all accounting functions. We have applied a more consistent valuation methodology for the CCLBA's portfolio and is currently interviewing for the accountant position to support our financial and accounting operations in fiscal year 2025. In addition, CCLBA has improved its procedures to record property sale deposits timelier on a monthly and year-end basis. This will ensure fiscal revenues are recorded in their proper fiscal year

Requests for Information

This financial report is designed to provide a general overview of the financial operations of the Cook County Land Bank Authority. Questions concerning any of the information in this report or requests for additional information should be sent to the Executive Director, 69 W. Washington Street, Suite 3100, Chicago, Illinois 60602.

COOK COUNTY, ILLINOIS
COOK COUNTY LAND BANK AUTHORITY
GENERAL GOVERNMENTAL FUND
BALANCE SHEET
AS OF NOVEMBER 30, 2024

	GENERAL GOVERNMENTAL FUND		
	Grant Fund	Equity Fund	2024
ASSETS			
Property held for transfer and resale	$ 180,000	$ 1,912,912	$ 2,092,912
Prepaid items	-	188,781	188,781
Total Assets	180,000	2,101,693	$ 2,281,693
LIABILITIES			
Accounts payable and accrued liabilities	$ -	$ 936,945	$ 936,945
Due to other funds	-	-	-
Total Liabilities	-	936,945	936,945
DEFERRED INFLOWS of RESOURCES			
Unearned revenue	-	-	-
Total deferred inflows	-	-	-
FUND BALANCE			
Restricted	180,000	-	180,000
Unassigned	-	1,164,748	1,164,748
Total fund balance	180,000	1,164,748	1,344,748
Total liabilities and fund balance	$ 180,000	$ 2,101,693	$ 2,281,693

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

COOK COUNTY, ILLINOIS
COOK COUNTY LAND BANK AUTHORITY
GENERAL GOVERNMENTAL FUND
BALANCE SHEET
AS OF NOVEMBER 30, 2023

	GENERAL GOVERNMENTAL FUND		
	Grant Fund	Equity Fund	2023
ASSETS			
Property held for transfer and resale	$ 180,000	$ 1,244,524	$ 1,424,524
Prepaid items	-	-	-
Total Assets	180,000	1,244,524	$ 1,424,524
LIABILITIES			
Accounts payable and accrued liabilities	$ -	$ 10,080	$ 10,080
Due to other funds	157,189	-	157,189
Total Liabilities	157,189	10,080	167,269
DEFERRED INFLOWS of RESOURCES			
Unearned revenue	961	-	961
Total deferred inflows	961	-	961
FUND BALANCE			
Restricted	21,850	-	21,850
Unassigned	-	1,234,444	1,234,444
Total fund balance	21,850	-	1,256,294
Total liabilities and fund balance	$ 180,000	$ 10,080	$ 1,424,524

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

COOK COUNTY, ILLINOIS
COOK COUNTY LAND BANK AUTHORITY
GENERAL GOVERNMENTAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED NOVEMBER 30, 2024

	GENERAL GOVERNMENTAL FUND		
	Grant Fund	Equity Fund	2024
REVENUES			
Other Operating Grant Revenue	$ 214,147	$ 167	$ 214,314
Total Revenues and Other Sources	214,147	167	214,314
EXPENDITURES			
Economic and human development			
Contractual services	45,800	-	45,800
Operations and maintenance	10,197	-	10,197
Contingencies and special purpose	-	1,595,831	1,595,831
Inventory adjustments	-	48,313	48,313
Debt Service			
Interest and other charges	-	792	792
Total Expenditures	55,997	1,644,936	1,700,933
OTHER FINANCING SOURCES			
Appropriations from County resources	-	1,575,073	1,575,073
Other Sources of Financial Resources	-	1,575,073	1,575,073
Changes in fund balance	158,150	(69,696)	88,454
Fund Balance - beginning of the year	21,850	1,234,444	1,256,294
Fund Balance - end of the year	$ 180,000	$ 1,164,748	$ 1,344,748

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

COOK COUNTY, ILLINOIS
COOK COUNTY LAND BANK AUTHORITY
GENERAL GOVERNMENTAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED NOVEMBER 30, 2023

	GENERAL GOVERNMENTAL FUND		
	Grant Fund	Equity Fund	2023
REVENUES			
Other Operating Grant Revenue	$ 174,040	$ -	$ 174,040
Total Revenues and Other Sources	174,040	-	174,040
EXPENDITURES			
Economic and human development			
Contractual services	158,150	-	158,150
Operations and maintenance	174,040	-	174,040
Contingencies and special purpose	-	938,423	938,423
Inventory adjustments	-	(913,753)	(913,753)
Debt Service			
Interest and other charges	-	2,096	2,096
Total Expenditures	332,190	26,766	358,956
OTHER FINANCING SOURCES			
Appropriations from County resources	-	1,261,210	1,261,210
Other Sources of Financial Resources	-	1,261,210	1,261,210
Changes in fund balance	(158,150)	1,234,444	1,076,294
Fund Balance - beginning of the year	180,000	-	180,000
Fund Balance - end of the year	$ 21,850	$ 1,234,444	$ 1,256,294

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

COOK COUNTY, ILLINOIS
COOK COUNTY LAND BANK AUTHORITY
NONMAJOR - SPECIAL REVENUE FUND
BALANCE SHEETS
AS OF NOVEMBER 30, 2024 AND 2023

	SPECIAL REVENUE FUND	
	2024	**2023**
ASSETS		
Due from others	$ 144,002	$ 205,828
Property held for resale	8,827,237	7,814,200
Prepaid items	200,000	200,000
Total assets	$ 9,171,239	$ 8,220,028
LIABILITIES		
Accounts payable	$ 399,794	$ 1,440,253
Accrued salaries payable	74,970	65,291
Due to other funds	8,437,196	14,865,040
Total liabilities	8,911,960	16,370,584
FUND BALANCE (DEFICIT)		
Nonspendable	200,000	200,000
Unassigned	59,279	(8,350,556)
Total fund balance (deficit)	259,279	(8,150,556)
Total liabilities and fund balance (deficit)	$ 9,171,239	$ 8,220,028

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

COOK COUNTY, ILLINOIS
COOK COUNTY LAND BANK AUTHORITY
NONMAJOR - SPECIAL REVENUE FUND
STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEARS ENDED NOVEMENBER 30, 2024 AND 2023

	SPECIAL REVENUE FUND	
	2024	**2023**
REVENUES		
Miscellaneous	$ 7,094,210	$ 5,442,551
Total Revenues	7,094,210	5,442,551
EXPENDITURES		
Economic and human development		
Personal services	1,939,031	1,732,116
Contractual services	1,033,087	975,693
Supplies and materials	12,779	7,235
Operations and maintenance	5,146,192	4,137,678
Contingencies and special purpose	1,777,887	1,056,119
Inventory adjustments	(1,406,297)	295,033
Debt Service - Interest	2,527	-
Total expenditures/expenses	8,505,206	8,203,874
Other Financing Sources (uses)		
Transfers-in	10,007,043	8,372,599
Transfers-out	(186,212)	(118,278)
Net other financing sources (uses)	9,820,831	8,254,321
Net change in fund balance	8,409,835	5,492,998
Fund Balance (Deficit) - Beginning	(8,150,556)	(13,643,554)
Fund Balance (Deficit) - Ending	$ 259,279	$ (8,150,556)

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Cook County Land Bank Authority ("CCLBA") have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP), as applied to government units. The governmental accounting and reporting principles are established by the Governmental Accounting Standards Board (GASB). GASB is the accepted standard-setting body for establishing accounting and financial reporting principles. The CCLBA's significant accounting policies are described below.

Reporting Entity

The CCLBA was established by Cook County Ordinance No. 13-O-07, 1-16-2013, as an agency of Cook County (County), which is funded by the County. The purpose of this Ordinance is to create the Cook County Land Bank Authority that will use available resources to facilitate the return of vacant, abandoned and tax-delinquent properties to productive use thereby combating community deterioration, creating economic growth and stabilizing the housing and job market.

The CCLBA will acquire, hold, and transfer interest in real property throughout Cook County as approved by the Board of Directors for the following purposes: to promote redevelopment and reuse of vacant, abandoned, and tax-delinquent properties; support targeted efforts to stabilize neighborhoods; stimulate residential, commercial and industrial development; all in ways that are consistent with goals and priorities established by this Ordinance, local government partners and other community stakeholders.

As defined by GAAP, the financial reporting entity consists of a primary government, as well as its component units, which are legally separate organizations for which the elected officials of the primary government are financially accountable.

The financial statements only present the Governmental and the Nonmajor Special Revenue Funds activity attributable to the transactions of the CCLBA and do not purport to, and do not, present fairly the financial position of the CCLBA on a government-wide basis or the County as of November 30, 2024 and 2023, nor changes in the CCLBA's or the County's financial position for the years then ended in conformity with GAAP.

The Governmental and Nonmajor Special Revenue Funds are not legally separate from the County; therefore, the financial information of the Governmental and Nonmajor Special Revenue Funds are included in the financial statements of Cook County, Illinois. The County's Annual Comprehensive Financial Reports may be obtained by writing to the County's Comptroller's Office or accessing its website at www.cookcountyil.gov.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation

In government, the basic reporting entity is a fund. A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources together with all related liabilities, obligations, inflows, outflows, and equities, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. A balance sheet and statement of revenues, expenditures, and changes in fund balance have been presented for the Governmental and Nonmajor Special Revenue funds activities attributable to the transactions of the CCLBA.

General Governmental Fund:

These are two funds that accounts for all properties held for transfer/resale that were funded through grants received from other government agencies called the grant fund and also from the equity fund which are part of the General fund of the County received by the CCLBA.

Nonmajor Special Revenue Fund:

This is the fund that accounts for resources obtained from specific revenue sources that are legally restricted to expenditures for specified purposes. Special revenue fund accounts for, among other things, federal grant programs, taxes levied with statutorily defined distributions, and other resources restricted as to purpose. This fund is subject to expenditure limitations established by the County. Resources for this fund are generated from the selling of inventory of properties held. This fund is appropriated and held in the Office of the Comptroller of the County.

Measurement Focus and Basis of Accounting

The accompanying financial statements have been prepared using the flow of current resources measurement focus and the modified accrual basis of accounting, whereby revenues (including property sales) are recognized as soon as they are both measurable and available for financing current obligations, collected during the year or within 60 days thereafter and expenditures are expected to be paid with available expendable resources and are recognized when obligations are incurred. Debt principal retirements and other payments related to long-term obligations other than debt, are reported as expenditures when due.

Property Held for Resale (Inventory)

Property held for resale is part of the CCLBA's program for improving disadvantages areas and is considered inventory. The CCLBA may acquire by gift, transfer or purchase real or personal property on terms and conditions and in a manner the CCLBA considers appropriate. Purchased and donated properties are inventoried at the lower of cost or market. Evaluations are performed periodically that will require adjustments to be made given the nature of distressed properties which are the focus of CCLBA. As a result of these evaluations and current purchases/sales activities, property held for resale were valued at $10,920,149 and $9,238,724 as of November 30, 2024 and 2023.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contributions

Contributions may be given in addition to property donations and are considered to be available for unrestricted use unless specifically restricted by the donor and accounted for under miscellaneous revenues.

Fund Balance

It is the CCLBA's policy to consider restricted resources to have been spent last when an expenditure is incurred for which both restricted and unrestricted (i.e., committed, assigned or unassigned) resources are available. In those funds, the CCLBA considers assigned resources to have been spent first, followed by committed and then restricted resources.

Within the governmental and special revenue funds, the CCLBA's fund balances are reported based on the following classifications:

Nonspendable This consists of amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. The Nonmajor Special Revenue Fund had nonspendable fund balance as of November 30, 2024 and 2023.

Restricted This consists of amounts that are restricted to specific purposes, which is when constraints placed on the use of resources are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. The Governmental fund had a restricted fund balance as of November 30, 2024 and 2023.

Committed This consists of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the CCLBA's highest level of decision-making authority. Committed amounts cannot be used for any other purpose unless the CCLBA removes or changes the specified use by taking the same type of action it employed to previously commit those amounts. The CCLBA's highest level of decision-making authority rests with the County and the Board of Directors. There were no committed fund balance as of November 30, 2024 and 2024.

Assigned This consists of net amounts that are constrained by the CCLBA's intent to be used for specific purposes, but that are neither restricted nor committed. Fund balance assignments can only be removed or changed by action of the County. There were no assigned fund balance as of November 30, 2024 and 2023.

Unassigned This consists of residual fund balance (deficit) that has not been designated for specific purposes within the funds. The Governmental fund and Nonmajor Special Revenue Funds had unassigned fund balance as of November 30, 2024 and 2023.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

NOTE 2 - DUE FROM/TO OTHER FUNDS

Grants and other funds received by the CCLBA are deposited with the Cook County Treasurer. The Due To Other Funds represents expended funds in excess of cash receipts by CCLBA and owed to the County. As of November 30, 2024 and 2023, the amount owed to the County was $8,437,196 and $15,022,229, respectively.

NOTE 3 - PENSION COSTS

The CCLBA utilizes the special revenue fund assigned to them to pay for pension costs to the County's Employees' and Officers' Annuity and Benefit Fund of Cook County. During the years ended November 30, 2023 and 2022, pension expense was $186,212 and $118,278, respectively, which was reported under personal services on the statements of revenues, expenditures, and changes in fund balance.

NOTE 4 – OTHER FINANCING SOURCES

During fiscal year 2023, CCLBA entered into an agreement with the County’s Office of the Chief Financial Officer (OCFO) and the County’s Department of Budget and Management Services (DBMS) on a three-year plan through fiscal year 2025 to subsidize the CCLBA operating expenses while the revenues generated by the CCLBA are used to pay down the shortfall noted the fund balance as well as reduce the Due to others account. As of November 30, 2024 and 2023, appropriations transfers-in was $10,007,043 and $8,372,599, respectively.

NOTE 5 - RELATED PARTIES

As indicated in Note 1, the CCLBA is an Agency authorized by Cook County. CCLBA employees' salaries are from the special revenue fund assigned to CCLBA. The CCLBA also uses the County's accounting software, Comptroller office services, copier, computers, and printers. For the years ended November 30, 2024 and 2023, there was $30,665 and $29,486, respectively, administrative fee charged by the County for these services, which would have been reported under operations and maintenance on the statements of revenues, expenditures, and changes in fund balance.

In addition, per the July 1, 2016 intergovernmental agreement between CCLBA, Metropolitan Water Reclamation District of Greater Chicago (MWRD), and the Forest Preserve District of Cook County (Forest Preserve), CCLBA purchased 23 properties designated as property held for transfer (Riverside Lawn) for the purpose of alleviating flooding risks at the Riverside Lawn region of Cook County, Illinois. Once all properties have been acquired and demolished, the land will be transferred to an appropriate agency (Forest Preserve) and converted to open space and maintained as such in perpetuity. These properties are recorded in the restricted fund balance. As of March 1, 2021, CCLBA transferred the deeds of 19 of 23 properties purchased under this agreement to the Forest Preserve. As of November 30, 2024 and 2023, no further transfers have been made. As of November 30, 2024 and 2023, the balance of these properties was $180,000 for both years.

NOTE 6 - LINE OF CREDIT

On December 7, 2017, CCLBA entered into a line of credit agreement for $3,000,000 for the acquisition of properties, primarily single-family homes, from various sources, including but not limited to: the National Community Stabilization Trust in low to moderate communities in Cook County. The line of credit bears interest at 6% per annum and principal payments are due upon sale of related properties. As a condition of this loan, CCLBA paid loan fees in the amount of $30,000 and cash collateral in the amount of $250,000. On December 1, 2021, the line of credit was extended through March 1, 2024, reduced to $2,000,000 and $30,000 was applied towards fees for the extension of the line of credit, thus reducing the cash collateral to $220,000. In 2023, $20,000 was applied towards fees for the extension of the line of credit, thus reducing the cash collateral to $200,000. In 2024, CCLBA applied to reduce the line of credit to $500,000 and extend it to February 1, 2026. For the years ended November 30, 2024 and 2023, the balance outstanding on the line of credit was $-0-, respectively. As of November 30, 2024 and 2023, the cash collateral held by the lender was $200,000 for both years.

NOTE 7 – FINANCIAL CONDITION

Although CCLBA had fund balance shortfall for the years ended 2023 and 2022, CCLBA initiated several activities that will offset this shortfall and address liquidity concerns. CCLBA was positioned to: 1) manage its expenses by reducing all finance and administrative expenses within CCLBA, thereby making these costs more efficient and improving cash flow; 2) substantially increase the development and sale of its commercial portfolio during 2024; 3) the OCFO and the DBMS agreed on a three-year plan through fiscal year 2025 to subsidize the CCLBA operating expenses while the revenues generated by the CCLBA are used to pay down the shortfall. Thus, at the end of fiscal year 2024, the fund balance no longer had deficit balance.

NOTE 8 - SUBSEQUENT EVENTS

Management has evaluated subsequent events through August 15, 2025, which is the date the financial statements were approved and available to be issued.