

**SPECIAL SERVICE AREA #29
ADMINISTERED BY
WEST TOWN CHICAGO CHAMBER OF COMMERCE**

**FINANCIAL STATEMENT
DECEMBER 31, 2013
WITH
INDEPENDENT AUDITOR'S REPORT**

SPECIAL SERVICE AREA #29

ADMINISTERED BY

WEST TOWN CHICAGO CHAMBER OF COMMERCE

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Helen J. Ajder C.P.A. PC

Certified Public Accountant

INDEPENDENT ACCOUNTANT'S REPORT

Board of Commissioners
Special Service Area #29
Administered by
West Town Chamber of Commerce
1819 West Chicago Avenue
Chicago, IL 60622

I have audited the accompanying component unit financial statements of Special Service Area #29 administered by West Town Chicago Chamber of Commerce, which comprise the statements of financial position as of December 31, 2013 and the related statements of activities and changes in net assets, statements of cash flows and related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the 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 the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I 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 auditor's 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, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the component unit financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of Special Service Area #29 as of December 31, 2013 and the related statements of activities and changes in net assets and statements of cash flows the years then ended, in accordance with accounting principles generally accepted in the United States of America.


Helen J. Ajder CPA, PC
March 20, 2014

SPECIAL SERVICE AREA #29
ADMINISTERED BY
WEST TOWN CHICAGO CHAMBER OF COMMERCE

STATEMENT OF FINANCIAL POSITION
AT DECEMBER 31, 2013

ASSETS

	<u>2013</u>
CURRENT ASSETS	
Cash	<u>\$ 222,972</u>
TOTAL ASSETS	<u><u>\$ 222,972</u></u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES	
Accounts payable	<u>\$ 54,195</u>
TOTAL CURRENT LIABILITIES	54,195
NET ASSETS - UNRESTRICTED	<u>168,777</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 222,972</u></u>

SPECIAL SERVICE AREA #29
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WEST TOWN CHICAGO CHAMBER OF COMMERCE

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2013

	ACTUAL	BUDGET	OVER (UNDER) VARIANCE
REVENUES			
Tax allocation - current year	\$ 369,491	\$398,105	(28,614)
Tax allocation - previous years	22,390		22,390
Interest	736		736
Less: loss collection expense	-		-
	392,617	398,105	(5,488)
EXPENSES			
Program costs:			
Advertising and promotion	65,744	72,000	(6,256)
Public way maintenance	158,485	201,600	(43,115)
Public way aesthetics	54,897	80,321	(25,424)
Tenant retention/attraction	23,125	35,500	(12,375)
Façade improvements	66,069	110,000	(43,931)
Parking/transit/accessibility	-	2,000	(2,000)
District planning	34,872	104,659	(69,787)
	403,192	606,080	(202,888)
Administration costs:			
Personal	84,967	92,649	(7,682)
Operational & administrative support	28,434	30,395	(1,961)
Loss collection	-	-	-
	113,401	123,044	(9,643)
Total expenses	516,593	729,124	(212,531)
INCREASE (DECREASE) IN NET ASSETS	(123,976)	(331,019)	207,043
NET ASSETS - BEGINNING OF YEAR	292,753		
NET ASSETS - END OF YEAR	\$ 168,777		

SPECIAL SERVICE AREA #29
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED
AT DECEMBER 31, 2013

CASH FLOWS FROM OPERATING ACTIVITIES:

	<u>2013</u>
Change in net assets	\$ (123,976)
Adjustments to reconcile net surplus to cash provided by (used in) operating activities	
(Decrease) increase in accounts payable	<u>16,429</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(107,547)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>330,519</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u><u>\$ 222,972</u></u>

SUPPLEMENTAL DISCLOSURE OF CASH FLOWS:

Interest paid	<u>\$ -</u>
Taxes paid	<u><u>\$ -</u></u>

**SPECIAL SERVICE AREA #29
ADMINISTERED BY
WEST TOWN CHICAGO CHAMBER OF COMMERCE**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013**

NOTE 1 - Purpose of Organization and Nature of SSA #29

West Town Chamber of Commerce (the Association) is an Illinois not-for-profit corporation that is exempt from federal taxes under Section 501 (C-6) of the Internal Revenue Code. The Association is dedicated to assist in the planning, developing and servicing of the West Chicago Avenue business district. The Association, by contract with the City of Chicago, is the provider of special services to the West Chicago Avenue business district area and is funded by Special Service Area #29 taxes.

NOTE 2 - Summary of Significant Accounting Policies

Cash and Cash Equivalents

The Taxing District defines cash equivalents as short term liquid investments such as cash in banks, money markets, and other financial instruments that can be reduced to cash in thirty days or less. The Taxing District maintains its cash balance in a financial institution located in Chicago, Illinois. The balance is insured by the Federal Deposit Insurance Corporation up to \$250,000. The Association's cash balance did not exceed the insurance level as of December 31, 2013.

Financial Statement Presentation

The Taxing District is required to present information regarding its financial position and activities according to Article 3.07 of the Agreement for Special Service Area #29 between the City of Chicago and West Town Chicago Chamber of Commerce. As of December 31, 2013, the Taxing District had net unrestricted net assets of \$168,777 .

Revenue Recognition

The Taxing District's financial statements are presented on the accrual basis of accounting. Revenues are recognized when the amount can be readily estimated or committed, and the payment is reasonably certain. Expenses are recorded when incurred.

Estimates

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

Related Party Transactions

Special Service Area #29 shares office space, equipment and employees through its affiliation with West Town Chicago Chamber of Commerce. Special Service Area #29 has no employees of its own, but reimburses West Town Chamber of Commerce for payroll and related costs of the individuals working on the programs. It also reimburses West Town Chamber of Commerce for a portion of its operating expenses, allocation of rent and utilities.

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Helen J. Ajder C.P.A. PC
Certified Public Accountant

INDEPENDENT ACCOUNTANT'S REPORT ON SUPPLEMENTARY INFORMATION

Board of Commissioners
Special Service Area #29
Administered by
West Town Chamber of Commerce
1819 West Chicago Avenue
Chicago, IL 60622

My audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information which follows is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, I express no opinion on it.



Helen J. Ajder CPA, PC
March 20, 2014

SPECIAL SERVICE AREA #29
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WEST TOWN CHICAGO CHAMBER OF COMMERCE

SCHEDULE OF TAX LEVY REVENUE AND INTEREST INCOME
AT DECEMBER 31, 2013

Tax Levy Revenue and Interest Income received from the City of Chicago

	2013
Tax Levy Revenue	
Tax Year 2012	369,491
Tax Year 2011	26,067
Tax Year 2010	(1,111)
Tax Year 2009	(1,941)
Tax Year 2008 and prior	<u>(625)</u>
Total	<u><u>391,881</u></u>

Interest Income

Interest income - bank	723
Interest income - City of Chicago	<u>13</u>
Total	<u><u>736</u></u>

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SCHEDULE OF EXPENSES WITH BUDGET VARIANCES
FOR THE YEAR ENDED DECEMBER 31, 2013

	<u>ACTUAL</u>	<u>BUDGET</u>	<u>OVER (UNDER) VARIANCE</u>
PROGRAM EXPENSES:			
Advertising & Promotion			
Website/technology	497	1,000	(503)
Public/media relations services	24,500	24,500	-
Special events	35,200	40,000	(4,800)
Display advertising	-	1,000	(1,000)
Print media	1,847	1,000	847
Other: smart phone application	3,700	4,500	(800)
Total	<u>65,744</u>	<u>72,000</u>	<u>(6,256)</u>
Public Way Maintenance			
Sidewalk cleaning	82,056	84,600	(2,544)
Sidewalk snow plowing	55,833	97,000	(41,167)
Sidewalk power washing	-	-	-
Acid etching & graffiti removal/prevention	20,596	20,000	596
Total	<u>158,485</u>	<u>201,600</u>	<u>(43,115)</u>
Public Way Aesthetics			
Streetscape elements	21,600	21,600	-
Decorative banner/holiday decorations	10,097	20,095	(9,998)
Landscaping	5,520	5,520	-
Other: public way art	-	2,106	(2,106)
Other: tree survey & maintenance	17,680	31,000	(13,320)
Total	<u>54,897</u>	<u>80,321</u>	<u>(25,424)</u>
Tenant Retention/Attraction			
Data collection	23,125	25,000	(1,875)
Site marketing	-	10,000	(10,000)
Other: survey and evaluation	-	500	(500)
Total	<u>23,125</u>	<u>35,500</u>	<u>(12,375)</u>
Façade Improvements			
Façade enhancement program	66,069	110,000	(43,931)
Total	<u>66,069</u>	<u>110,000</u>	<u>(43,931)</u>
Parking/Transit/Accessibility			
Bicycle transit enhancements	-	2,000	(2,000)
Total	<u>-</u>	<u>2,000</u>	<u>(2,000)</u>
District Planning			
SSA designation or reconstitution costs	34,872	104,659	(69,787)
Total	<u>34,872</u>	<u>104,659</u>	<u>(69,787)</u>

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SCHEDULE OF EXPENSES WITH BUDGET VARIANCES
FOR THE YEAR ENDED DECEMBER 31, 2013

	<u>ACTUAL</u>	<u>BUDGET</u>	<u>OVER (UNDER) VARIANCE</u>
ADMINISTRATION EXPENSES			
Personnel			
Executive director	28,602	30,601	(1,999)
Program manager	42,933	46,767	(3,834)
Assistant director	5,089	5,449	(360)
Bookkeeper	8,343	8,540	(197)
Intern	-	1,292	(1,292)
Total	<u>84,967</u>	<u>92,649</u>	<u>(7,682)</u>
Operational & Administrative Support			
Audit	2,700	2,500	200
Banking fees	-	2,000	(2,000)
Bookkeeping	509	750	(241)
Office rent	15,525	15,525	-
Office utilities/telephone	3,841	3,500	341
Office supplies	1,700	3,500	(1,800)
Office equipment maintenance	807	-	807
Postage	172	250	(78)
Meeting expense	436	1,000	(564)
Subscriptions and dues	2,276	870	1,406
Other: Workers Comp/State UC	468	500	(32)
Total	<u>28,434</u>	<u>30,395</u>	<u>(1,961)</u>

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**SUMMARY SCHEDULE OF AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2013**

I have read and understand the requirements contained in the Service Provider Agreement. After conducting the audit, I determined that no exceptions were noted.

The auditor's report expresses an unqualified opinion on the financial statements of Special Service Area #29. No significant deficiencies or material weaknesses were disclosed during the audit of the financial statements.

FINDINGS - FINANCIAL STATEMENT AUDIT

None found