

**LINCOLN PARK CHAMBER
OF COMMERCE, INC.
SPECIAL SERVICE AREA #23
SPECIAL SERVICE AREA #35**

YEARS ENDED DECEMBER 31, 2013 AND 2012

LINCOLN PARK CHAMBER OF COMMERCE, INC.
SPECIAL SERVICE AREA #23
SPECIAL SERVICE AREA #35

YEARS ENDED DECEMBER 31, 2013 AND 2012

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Independent Auditor's Report

Board of Directors
Lincoln Park Chamber of Commerce, Inc.
Special Service Area #23
Special Service Area #35
Chicago, Illinois

Report on the Combining and Combined Financial Statements

We have audited the accompanying combining and combined financial statements of Lincoln Park Chamber of Commerce, Inc. (LPCC), Special Service Area #23 (A Taxing District Authorized by the City of Chicago) (SSA #23) and Special Service Area #35 (A Taxing District Authorized by the City of Chicago) (SSA #35), which comprise the combining statement of financial position as of December 31, 2013 and the related combining statements of activities and changes in net assets and cash flows for the year then ended and the related notes to the combining financial statements and the combined statement of financial position as of December 31, 2012 and the related combined statements of activities and changes in net assets and cash flows for the year then ended and the related notes to the combined financial statements.

Management's Responsibility for the Combining and Combined Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these combining and combined financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the combining and combined financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combining and combined financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combining and combined 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 combining and combined 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, 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 combining and combined financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the combining and combined financial statements referred to above present fairly, in all material respects, the combining financial position of Lincoln Park Chamber of Commerce, Inc., Special Service Area #23 (A Taxing District Authorized by the City of Chicago) and Special Service Area #35 (A Taxing District Authorized by the City of Chicago) as of December 31, 2013 and the combining changes in their net assets and their cash flows for the year then ended and the combined financial position of Lincoln Park Chamber of Commerce, Inc., Special Service Area #23 (A Taxing District Authorized by the City of Chicago) and Special Service Area #35 (A Taxing District Authorized by the City of Chicago) as of December 31, 2012 and the combined changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter

In connection with our audit, nothing came to our attention that caused us to believe that SSA #23 and SSA #35 failed to comply with the terms, covenants, provisions or conditions of the Agreement for Special Service Area #23 and the Agreement for Special Service Area #35 between the City of Chicago and Lincoln Park Chamber of Commerce, Inc., insofar as they relate to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding SSA #23's and SSA #35's noncompliance with the above-referenced terms, covenants, provisions or conditions of the Agreements, insofar as they relate to accounting matters.

Restricted Use Relating to the Other Matter

The communication related to compliance with the aforementioned Agreements described in the Other Matter paragraph is intended solely for the information and use of the Boards of Directors and management of LPCC, SSA #23, SSA #35 and the City of Chicago and is not intended to be and should not be used by anyone other than these specified parties.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the combining and combined financial statements as a whole. The supplementary information included on pages 13 through 22 is presented for purposes of additional analysis and is not a required part of the combining and combined 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 combining and combined financial statements. The information, except for the budget information included on pages 14 through 17 and 19 through 21, which is unaudited, has been subjected to the auditing procedures applied in the audits of the combining and combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combining and combined financial statements or to the combining and combined financial statements themselves and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the combining and combined financial statements as a whole. The unaudited information referred to above has not been subjected to the auditing procedures applied in the audits of the combining and combined financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Ostrow Reisin Berk & Abrams, Ltd.

Chicago, Illinois
March 21, 2014

LINCOLN PARK CHAMBER OF COMMERCE, INC.
SPECIAL SERVICE AREA #23
SPECIAL SERVICE AREA #35

COMBINING AND COMBINED STATEMENT OF FINANCIAL POSITION

December 31,	2013				2012
	LPCC	SSA #23	SSA #35	Total	Total
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 267,708	\$ 185,394	\$ 48,267	\$ 501,369	\$ 495,736
Accounts receivable, net of allowance for doubtful accounts for SSA #23 of \$5,212 and \$4,229 at December 31, 2013 and 2012, respectively and for SSA #35 of \$2,190 and \$1,914 at December 31, 2013 and 2012, respectively	33,094	35,453	3,888	72,435	23,254
Prepaid expenses					4,356
Total current assets	300,802	220,847	52,155	573,804	523,346
Property and equipment:					
Office equipment	43,510			43,510	45,980
Furniture	8,771			8,771	8,771
	52,281			52,281	54,751
Less accumulated depreciation	(50,324)			(50,324)	(50,980)
Property and equipment, net	1,957			1,957	3,771
Security deposit	2,400			2,400	2,400
Total assets	\$ 305,159	\$ 220,847	\$ 52,155	\$ 578,161	\$ 529,517

See notes to combining and combined financial statements.

LINCOLN PARK CHAMBER OF COMMERCE, INC.
SPECIAL SERVICE AREA #23
SPECIAL SERVICE AREA #35

COMBINING AND COMBINED STATEMENT OF FINANCIAL POSITION (CONTINUED)

December 31,	2013				2012
	LPCC	SSA #23	SSA #35	Total	Total
LIABILITIES AND NET ASSETS					
Current liabilities:					
Accounts payable	\$ 4,003	\$ 10,937	\$ 6,890	\$ 21,830	\$ 4,974
Deferred revenue	50,459			50,459	42,652
Total current liabilities	54,462	10,937	6,890	72,289	47,626
Net assets:					
Unrestricted	250,697	209,910	45,265	505,872	481,891
Total liabilities and net assets	\$ 305,159	\$ 220,847	\$ 52,155	\$ 578,161	\$ 529,517

See notes to combining and combined financial statements.

LINCOLN PARK CHAMBER OF COMMERCE, INC.
SPECIAL SERVICE AREA #23
SPECIAL SERVICE AREA #35

COMBINING AND COMBINED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

Years ended December 31,	2013					2012
	LPCC	SSA #23	SSA #35	Elimination	Total	Total
Revenues:						
Membership dues and sponsorships	\$ 151,312				\$ 151,312	\$ 146,593
Banner income	38,825				38,825	33,925
Events income	46,025				46,025	41,700
Government grant	64,676				64,676	64,676
Administrative income	165,723			\$ (165,723)		2,500
Advertising income	17,702				17,702	13,250
Festival income	26,264				26,264	15,010
Other income	6,004				6,004	7,685
Interest income	928				928	1,162
Cook county collection SSA #23		\$ 484,954			484,954	446,356
Cook county collection SSA #35			\$ 158,211		158,211	160,439
Total revenues	517,459	484,954	158,211	(165,723)	994,901	933,296
Expenses:						
Functional expenses:						
Government and community relations	108,006				108,006	103,614
Marketing	90,093				90,093	55,231
Member services	261,157				261,157	242,979
SSA #23 expenses		466,037		(129,140)	336,897	347,593
SSA #35 expenses			158,522	(36,583)	121,939	137,689
Total functional expenses	459,256	466,037	158,522	(165,723)	918,092	887,106
General and administrative expenses	52,828				52,828	52,134
Total expenses	512,084	466,037	158,522	(165,723)	970,920	939,240
Increase (decrease) in net assets	5,375	18,917	(311)		23,981	(5,944)
Net assets, beginning of year	245,322	190,993	45,576		481,891	487,835
Net assets, end of year	\$ 250,697	\$ 209,910	\$ 45,265	\$ -	\$ 505,872	\$ 481,891

See notes to combining and combined financial statements.

LINCOLN PARK CHAMBER OF COMMERCE, INC.
SPECIAL SERVICE AREA #23
SPECIAL SERVICE AREA #35

COMBINING AND COMBINED STATEMENT OF CASH FLOWS

Years ended December 31,	2013				2012
	LPCC	SSA #23	SSA #35	Total	Total
Operating activities:					
Increase (decrease) in net assets	\$ 5,375	\$ 18,917	\$ (311)	\$ 23,981	\$ (5,944)
Adjustments to reconcile above to cash provided by (used in) operating activities:					
Depreciation	1,814			1,814	1,896
(Increase) decrease in operating assets:					
Accounts receivable, net	(19,072)	(31,610)	1,501	(49,181)	910
Prepaid expenses	4,356			4,356	438
Increase (decrease) in operating liabilities:					
Accounts payable	871	9,095	6,890	16,856	(932)
Deferred revenue	7,807			7,807	(5,639)
Cash provided by (used in) operating activities	1,151	(3,598)	8,080	5,633	(9,271)
Investing activity:					
Purchase of property and equipment					(1,232)
Cash used in investing activity					(1,232)
Increase (decrease) in cash and cash equivalents	1,151	(3,598)	8,080	5,633	(10,503)
Cash and cash equivalents, beginning of year	266,557	188,992	40,187	495,736	506,239
Cash and cash equivalents, end of year	\$ 267,708	\$ 185,394	\$ 48,267	\$ 501,369	\$ 495,736

See notes to combining and combined financial statements.

LINCOLN PARK CHAMBER OF COMMERCE, INC.
SPECIAL SERVICE AREA #23
SPECIAL SERVICE AREA #35

NOTES TO COMBINING AND COMBINED FINANCIAL STATEMENTS

1. Summary of significant accounting policies

Organization:

The Lincoln Park Chamber of Commerce, Inc. (LPCC) was founded in 1947 to conceive, design and implement programs and services that directly impact the success of its members; to act as a members' advocate and lead economic development efforts that sustain businesses in the Lincoln Park area of Chicago, Illinois.

Special Service Area #23 (SSA #23) and Special Service Area #35 (SSA #35) are taxing districts authorized by the City of Chicago to utilize tax revenues to enhance, beautify and maintain certain commercial areas within the specific boundaries serviced by LPCC. Tax revenues received by SSA #23 and SSA #35 must be maintained in separate cash accounts.

SSA #23 encompasses the area on Clark St. from Armitage to Diversey and the south side of Diversey Parkway from Lakeview to Orchard Ave.

SSA #35 encompasses the area on Lincoln Ave. from Diversey Parkway to Webster Avenue.

Tax status:

LPCC is exempt from federal income taxes under Section 501(c)(6) of the Internal Revenue Code, except on net income derived from unrelated business activities. LPCC sells advertising which is subject to tax on unrelated business income.

LPCC's Form 990, Return of Organization Exempt from Income Tax, is no longer subject to examination by the Internal Revenue Service for years ended prior to December 31, 2010.

Basis of accounting:

The combining and combined financial statements have been prepared on the accrual basis of accounting.

Principles of combination:

The combining and combined financial statements include the accounts of the Lincoln Park Chamber of Commerce, Inc., Special Service Area #23 and Special Service Area #35. The administration of SSA #23 and SSA #35 are an integral part of LPCC's operations. All material inter-entity accounts and transactions have been eliminated in the combination.

LINCOLN PARK CHAMBER OF COMMERCE, INC.
SPECIAL SERVICE AREA #23
SPECIAL SERVICE AREA #35

NOTES TO COMBINING AND COMBINED FINANCIAL STATEMENTS (CONTINUED)

1. Summary of significant accounting policies (continued)

Basis of presentation:

The combining and combined financial statement presentation follows the Financial Accounting Standards Board (FASB) Accounting Standards Codification (the Codification) for *Financial Statements of Not-for-Profit Organizations*. Under the Codification, LPCC is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted and permanently restricted. At December 31, 2013 and 2012, all assets were unrestricted.

Cash equivalents:

Cash equivalents include investments with maturities of three months or less at date of purchase and various money market mutual funds.

Concentration of credit risk:

LPCC maintains its cash in bank deposit accounts which, at times, may exceed federally-insured limits. At December 31, 2013, the cash amount in bank deposit accounts held in excess of federally-insured limits was approximately \$49,000. The cash amount held at December 31, 2012 was fully insured. LPCC has not experienced any losses in such accounts. Management believes that LPCC is not exposed to any significant credit risk on cash and cash equivalents.

Trade accounts receivable:

Trade accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a charge to earnings and a credit to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to trade accounts receivable. Changes in the valuation allowance have not been material to the combining and combined financial statements.

Property and equipment and related depreciation:

Property and equipment are stated at cost. LPCC provides for depreciation using the straight-line method over the estimated useful lives of the assets.

LINCOLN PARK CHAMBER OF COMMERCE, INC.
SPECIAL SERVICE AREA #23
SPECIAL SERVICE AREA #35

NOTES TO COMBINING AND COMBINED FINANCIAL STATEMENTS (CONTINUED)

1. Summary of significant accounting policies (continued)

Donated services and materials:

LPCC records donated services and material received as a contribution and corresponding expense. The revenues and expenses for the year ended December 31, 2013 are reflected at fair value at the date of receipt. Contributed materials received during the year ended December 31, 2013 were valued at \$6,000. There were no contributed services or materials received during the year ended December 31, 2012.

Revenue recognition:

LPCC receives membership dues applicable to one-year membership periods. Income from membership dues are deferred until earned.

LPCC also receives advertising revenue in advance. Prepaid advertising revenue is deferred until earned.

Deferred revenue totaled \$50,459 and \$42,652 at December 31, 2013 and 2012, respectively.

Functional expenses:

Operating expenses directly identified with a functional area are charged to that area and expenses affecting more than one area are allocated among those benefited.

Use of estimates:

The preparation of the combining and combined financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

LINCOLN PARK CHAMBER OF COMMERCE, INC.
SPECIAL SERVICE AREA #23
SPECIAL SERVICE AREA #35

NOTES TO COMBINING AND COMBINED FINANCIAL STATEMENTS (CONTINUED)

2. Related party transaction

LPCC is the sole service provider to SSA #23 and SSA #35, Taxing Districts authorized by the City of Chicago. LPCC is paid a management fee and is also reimbursed for ongoing administration expenses such as rent, utilities and postage.

The management fees for SSA #23 totaled \$129,140 and \$122,504 for the years ended December 31, 2013 and 2012, respectively.

The management fees for SSA #35 totaled \$36,583 and \$37,171 for the years ended December 31, 2013 and 2012, respectively.

3. Lease commitments

LPCC is obligated under an operating lease for its office space located in Chicago, Illinois. During 2013, LPCC signed a two-year lease extension. The new lease expires on March 31, 2015.

Total rent expense for the years ended December 31, 2013 and 2012 was \$36,331 and \$34,928, respectively.

LPCC also leases equipment under various operating leases which expire between 2012 and 2016 and have monthly lease payments aggregating approximately \$423. Total rent expense included in operations under equipment leases was \$5,073 and \$5,119 for the years ended December 31, 2013 and 2012, respectively.

Future minimum lease payments are as follows:

Year ending December 31:	Office lease	Equipment leases	Total
2014	\$ 35,147	\$ 5,073	\$ 40,220
2015	8,851	4,935	13,786
2016		1,061	1,061
Total	\$ 43,998	\$ 11,069	\$ 55,067

**LINCOLN PARK CHAMBER OF COMMERCE, INC.
SPECIAL SERVICE AREA #23
SPECIAL SERVICE AREA #35**

NOTES TO COMBINING AND COMBINED FINANCIAL STATEMENTS (CONTINUED)

4. Retirement plan

LPCC maintains a SIMPLE IRA plan covering all eligible employees. The matching contributions made to the plan were \$5,133 and \$5,698 for the years ended December 31, 2013 and 2012, respectively.

5. Subsequent events

Management of LPCC has reviewed and evaluated subsequent events from December 31, 2013, the combining and combined financial statement date, through March 21, 2014, the date the combining and combined financial statements were available to be issued. No events have occurred in this period that would be required to be recognized and/or disclosed in these combining and combined financial statements as required by generally accepted accounting principles.

LINCOLN PARK CHAMBER OF COMMERCE, INC.

STATEMENT OF FUNCTIONAL EXPENSES

Years ended December 31,	2013			2012	
	Government and community relations	Marketing	Member services	Total program expenses	Total program expenses
Advertising		\$ 9,108		\$ 9,108	
Bad debts			\$ 2,000	2,000	
Banner expenses		30,683		30,683	\$ 4,557
Contributions	\$ 2,215			2,215	1,770
Depreciation	454	181	998	1,633	1,706
Insurance	3,310	1,324	7,281	11,915	8,299
Member services			23,080	23,080	16,082
Miscellaneous			463	463	770
Newsletter					5,539
Occupancy	9,083	3,633	19,982	32,698	31,435
Office expenses and postage:					
Credit card fees		719	2,875	3,594	2,589
Other - office expense and postage	7,621	3,049	16,767	27,437	26,475
Outside services	5,121	2,049	11,267	18,437	17,223
Payroll and staff expenses	80,202	32,081	176,444	288,727	281,501
Printing and design		200		200	595
Sponsorship		1,543		1,543	767
Tourism		5,523		5,523	2,516
Total functional expenses	\$ 108,006	\$ 90,093	\$ 261,157	\$ 459,256	\$ 401,824

**LINCOLN PARK CHAMBER OF COMMERCE, INC.
SPECIAL SERVICE AREA #23**

(A TAXING DISTRICT AUTHORIZED BY THE CITY OF CHICAGO)

STATEMENT OF ACTIVITIES – BUDGET AND ACTUAL

Years ended December 31,	2013			2012		
	Actual	Budget	Variance	Actual	Budget	Variance
Income:						
Estimated carryover		\$ 105,405	\$ (105,405)		\$ 171,644	\$ (171,644)
Interest	\$ 179		179	\$ 368		368
Late collections		23,183	(23,183)			
Tax levy income:						
2006 tax levy				(916)		(916)
2007 tax levy	(87)		(87)	(562)		(562)
2008 tax levy	79		79	(2,352)		(2,352)
2009 tax levy	(2,474)		(2,474)	(9,810)		(9,810)
2010 tax levy	(2,963)		(2,963)	(4,045)		(4,045)
2011 tax levy	375		375	463,660	463,660	
2011 tax interest				12		12
2012 tax levy	489,835	489,835				
2012 tax interest	10		10	1		1
Total tax levy income	484,775	489,835	(5,060)	445,988	463,660	(17,672)
Total income	484,954	618,423	(133,469)	446,356	635,304	(188,948)

**LINCOLN PARK CHAMBER OF COMMERCE, INC.
SPECIAL SERVICE AREA #23**

(A TAXING DISTRICT AUTHORIZED BY THE CITY OF CHICAGO)

STATEMENT OF ACTIVITIES – BUDGET AND ACTUAL (CONTINUED)

Years ended December 31,	2013			2012		
	Actual	Budget	Variance	Actual	Budget	Variance
Expenses:						
Estimated loss collection	\$ 983	\$ 20,000	\$ (19,017)	\$ 1,500	\$ 23,000	\$ (21,500)
Administrative expenses:						
Audit	3,500	3,500		3,250	3,250	
Bookkeeping	315	315				
Meeting expenses	1,500	1,500		500	500	
Office equipment lease and maintenance	3,150	3,150		3,570	3,570	
Office printing	750	750		2,000	2,000	
Office rent	8,820	8,820		8,400	8,400	
Office supplies	1,050	1,050		1,050	1,050	
Office utilities and telephone	3,150	3,150		4,095	4,095	
Postage and delivery	1,500	1,500		2,000	2,000	
Total administrative expenses	23,735	23,735		24,865	24,865	
Advertising and promotion expenses:						
Display ads (signage)		5,600	(5,600)	5,149	10,000	(4,851)
Print material (newsletter)	1,037	3,000	(1,963)	1,633	5,000	(3,367)
Public relations and media services	13,704	15,000	(1,296)	11,900	15,000	(3,100)
Special events and sidewalk sales	79,617	130,000	(50,383)	98,452	170,000	(71,548)
Website	966	1,000	(34)	1,934	1,000	934
Total advertising and promotion expenses	95,324	154,600	(59,276)	119,068	201,000	(81,932)

**LINCOLN PARK CHAMBER OF COMMERCE, INC.
SPECIAL SERVICE AREA #23**

(A TAXING DISTRICT AUTHORIZED BY THE CITY OF CHICAGO)

STATEMENT OF ACTIVITIES – BUDGET AND ACTUAL (CONTINUED)

Years ended December 31,	2013			2012		
	Actual	Budget	Variance	Actual	Budget	Variance
Expenses: (continued)						
Façade improvement expenses:						
Façade enhancement program	\$ 49,664	\$ 70,000	\$ (20,336)	\$ 21,450	\$ 28,000	\$ (6,550)
Total façade improvement expenses	49,664	70,000	(20,336)	21,450	28,000	(6,550)
Parking and transit expenses:						
Bicycle Advocacy					500	(500)
Total parking and transit expenses					500	(500)
Personnel expenses:						
Personnel cost	105,405	105,405		97,639	97,639	
Total personnel expenses	105,405	105,405		97,639	97,639	
Public way aesthetics expenses:						
Holiday decorations	12,645	16,500	(3,855)	11,986	16,500	(4,514)
Landscaping	70,928	71,000	(72)	71,449	70,000	1,449
Public art	12,213	15,000	(2,787)	21,500	35,000	(13,500)
Streetscape elements				6,523	7,500	(977)
Total public way aesthetics expenses	95,786	102,500	(6,714)	111,458	129,000	(17,542)

**LINCOLN PARK CHAMBER OF COMMERCE, INC.
SPECIAL SERVICE AREA #23**

(A TAXING DISTRICT AUTHORIZED BY THE CITY OF CHICAGO)

STATEMENT OF ACTIVITIES – BUDGET AND ACTUAL (CONTINUED)

Years ended December 31,	2013			2012		
	Actual	Budget	Variance	Actual	Budget	Variance
Expenses: (continued)						
Public way maintenance expenses:						
Acid etching removal					\$ 500	\$ (500)
Power washing	\$ 13,375	\$ 20,000	\$ (6,625)	\$ 13,995	20,000	(6,005)
Property insurance	508	1,500	(992)	475	800	(325)
Sidewalk cleaning	52,992	54,000	(1,008)	53,050	57,500	(4,450)
Snow plowing and maintenance	27,170	40,000	(12,830)	22,993	40,000	(17,007)
Total public way maintenance expenses	94,045	115,500	(21,455)	90,513	118,800	(28,287)
Tenant retention and attraction expenses:						
Data collection	1,095	1,500	(405)	1,095	1,500	(405)
Other				904	6,000	(5,096)
Site marketing materials		2,000	(2,000)	1,605	5,000	(3,395)
Total tenant retention and attraction expenses	1,095	3,500	(2,405)	3,604	12,500	(8,896)
Total expenses	466,037	595,240	(129,203)	470,097	635,304	(165,207)
Increase (decrease) in net assets	18,917	23,183	(4,266)	(23,741)		(23,741)
Net assets, beginning of year	190,993		190,993	214,734		214,734
Net assets, end of year	\$ 209,910	\$ 23,183	\$ 186,727	\$ 190,993	\$ -	\$ 190,993

**LINCOLN PARK CHAMBER OF COMMERCE, INC.
SPECIAL SERVICE AREA #23**

(A TAXING DISTRICT AUTHORIZED BY THE CITY OF CHICAGO)

SUMMARY OF AUDIT FINDINGS

YEAR ENDED DECEMBER 31, 2013

Summary schedule of findings

As part of our audit and request by the Special Service Area Annual Audited Financial Statement Guidelines prepared by the City of Chicago Department of Planning and Development, we have read the requirements contained in the Agreement for Special Service Area #23 between the City of Chicago and Lincoln Park Chamber of Commerce, Inc.

Per Article 5.03, the Contractor (SSA #23) established a separate checking account at North Community Bank in Chicago, Illinois. All Service Tax Funds were automatically deposited into this checking account. The Contractor did not commingle Service Tax Funds with funds from any other source.

Based on our understanding of the agreement and the facts surrounding the performance under the agreement, we noted no exceptions. Many contractual items were included in the agreement which dealt with non-accounting and non-financial matters of which we had no knowledge.

**LINCOLN PARK CHAMBER OF COMMERCE, INC.
SPECIAL SERVICE AREA #35**

(A TAXING DISTRICT AUTHORIZED BY THE CITY OF CHICAGO)

STATEMENT OF ACTIVITIES – BUDGET AND ACTUAL

Years ended December 31,	2013			2012		
	Actual	Budget	Variance	Actual	Budget	Variance
Income:						
Estimated carryover		\$ 38,388	\$ (38,388)		\$ 33,500	\$ (33,500)
Interest	\$ 15		15	\$ 37		37
Late collections		8,354	(8,354)			
Tax levy income:						
2005 tax levy				(406)		(406)
2007 tax levy	(815)		(815)	(287)		(287)
2008 tax levy	(436)		(436)	(549)		(549)
2009 tax levy	(4,160)		(4,160)	(846)		(846)
2010 tax levy	(589)		(589)	(4,175)		(4,175)
2010 tax interest				(413)		(413)
2011 tax levy	796		796	167,071	167,071	
2011 tax interest				7		7
2012 tax levy	163,395	163,395				
2012 tax interest	5		5			
Total tax levy income	158,196	163,395	(5,199)	160,402	167,071	(6,669)
Total income	158,211	210,137	(51,926)	160,439	200,571	(40,132)
Expenses:						
Estimated loss collection	276	7,300	(7,024)	690	7,500	(6,810)
Advertising and promotion expenses:						
Website	599	600	(1)	599	600	(1)
Total advertising and promotion expenses	599	600	(1)	599	600	(1)

**LINCOLN PARK CHAMBER OF COMMERCE, INC.
SPECIAL SERVICE AREA #35**

(A TAXING DISTRICT AUTHORIZED BY THE CITY OF CHICAGO)

STATEMENT OF ACTIVITIES – BUDGET AND ACTUAL (CONTINUED)

Years ended December 31,	2013			2012		
	Actual	Budget	Variance	Actual	Budget	Variance
Expenses: (continued)						
Administrative expenses:						
Audit	\$ 3,500	\$ 3,500		\$ 3,250	\$ 3,250	
Bank charges	10		\$ 10			
Bookkeeping	135	135				
Meeting expenses	100	100		350	100	\$ 250
Office equipment lease and maintenance	1,350	1,350		1,530	1,530	
Office rent	3,780	3,780		3,600	3,600	
Office supplies	450	450		450	450	
Office utilities and telephone	1,350	1,350		1,755	1,755	
Postage	500	500		600	1,000	(400)
Printing	250	250		500	500	
Total administrative expenses	11,425	11,415	10	12,035	12,185	(150)
Personnel expenses:						
Personnel cost	25,168	25,168		24,986	24,986	
Total personnel expenses	25,168	25,168		24,986	24,986	
Public way aesthetics expenses:						
Holiday decorations	11,079	14,000	(2,921)	14,824	15,000	(176)
Landscaping	50,210	67,500	(17,290)	65,460	65,500	(40)
Total public way aesthetics expenses	61,289	81,500	(20,211)	80,284	80,500	(216)

**LINCOLN PARK CHAMBER OF COMMERCE, INC.
SPECIAL SERVICE AREA #35**

(A TAXING DISTRICT AUTHORIZED BY THE CITY OF CHICAGO)

STATEMENT OF ACTIVITIES – BUDGET AND ACTUAL (CONTINUED)

Years ended December 31,	2013			2012		
	Actual	Budget	Variance	Actual	Budget	Variance
Expenses: (continued)						
Public way maintenance expenses:						
Power washing	\$ 9,150	\$ 15,000	\$ (5,850)	\$ 10,900	\$ 15,000	\$ (4,100)
Property insurance	711	800	(89)	706	800	(94)
Sidewalk cleaning	25,709	30,000	(4,291)	23,860	29,000	(5,140)
Snow plowing and maintenance	24,195	30,000	(5,805)	20,800	30,000	(9,200)
Total public way maintenance expenses	59,765	75,800	(16,035)	56,266	74,800	(18,534)
Total expenses	158,522	201,783	(43,261)	174,860	200,571	(25,711)
Decrease in net assets	(311)	8,354	(8,665)	(14,421)		(14,421)
Net assets, beginning of year	45,576		45,576	59,997		59,997
Net assets, end of year	\$ 45,265	\$ 8,354	\$ 36,911	\$ 45,576	\$ -	\$ 45,576

**LINCOLN PARK CHAMBER OF COMMERCE, INC.
SPECIAL SERVICE AREA #35**

(A TAXING DISTRICT AUTHORIZED BY THE CITY OF CHICAGO)

SUMMARY OF AUDIT FINDINGS

YEAR ENDED DECEMBER 31, 2013

Summary schedule of findings

As part of our audit and request by the Special Service Area Annual Audited Financial Statement Guidelines prepared by the City of Chicago Department of Planning and Development, we have read the requirements contained in the Agreement for Special Service Area #35 between the City of Chicago and Lincoln Park Chamber of Commerce, Inc.

Per Article 5.03, the Contractor (SSA #35) established a separate checking account at North Community Bank in Chicago, Illinois. All Service Tax Funds were automatically deposited into this checking account. The Contractor did not commingle Service Tax Funds with funds from any other source.

Based on our understanding of the agreement and the facts surrounding the performance under the agreement, we noted no exceptions. Many contractual items were included in the agreement which dealt with non-accounting and non-financial matters of which we had no knowledge.