

Review Cover Sheet:

Client: SBA 28
Project: 2015 audit
Staff: RH

Date Rec'd: _____
Due Date: _____
Date Completed: _____

NOTE: For Payroll: Is schedule B required? Yes _____ No _____

Multiple projects associated to this project: _____

Preparer Comments: _____

Reviewer #1: GB
Reviewer #2: _____
Processed by: RH

Date Reviewed #1: 7/26/14
Date Reviewed #2: _____
Date Processed: DA.26.16

Ok as is - no modifications needed
 Modifications required
 Ok with modifications made

Reviewer #1 Comments: _____

Reviewer #2 comments: _____

Special Instruction: _____

Next Year Notes: _____

Send via
 Fax _____ FedEx
 PM + C E-mail
 Mail/Post _____ Pickup
 Tele-File or FTP Other

Processing Instructions

- Scan PDF copy requested by _____
- Scan into SmartVault / Verified by _____
- Client copy
- Scan into client folder
- Draft requested
- File Copy only
- Place File Copy in COR's Binder
- Client Instructions Letter attached
- Plain copies # 1 IN-AUDIT BINDER (RH)
- Bound copies # _____



To the Board of Directors of Six Corners Association, Commission Members of SSA #28 and Executive Director

In planning and performing our audit of the financial statements of Special Services Area #28 as of and for the year ended December 31, 2015, in accordance with auditing standards generally accepted in the United States of America, we considered Special Services Area #28's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. In addition, because of limited staffing and inherent limitations in internal control, including the possibility of management override of controls, misstatements due to error or fraud may occur and not be detected by such controls. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

This communication is intended solely for the information and use of management, the Board of Directors, and others within the organization, and is not intended to be, and should not be, used by anyone other than these specified parties.

The A.C.T. Group, Ltd

The A.C.T. Group, Ltd.
Certified Public Accountants
April 25, 2016



April 25, 2016

To the Board of Directors of Six Corners Association, Commission Members of SSA #28 and Executive Director

We have audited the financial statements of SSA #28 for the year ended December 31, 2015, and have issued our report thereon dated April 14, 2016. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our e-mail to you on February 16, 2016. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by SSA #28 are described in Note 1 to the financial statements. The SSA changed their basis of accounting to follow the standards established by the Government Accounting Standards Board (GASB) applicable to government entities in 2014. Previously, the SSA was following a basis of accounting similar to a not-for-profit entity under the standards of the Financial Accounting Standards Board (FASB). This change was required by the City of Chicago.

We noted no transactions entered into by the Organization during the year for which there is lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the financial statements was: allowance for property tax receivables of 4%.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were: Note 4 Related Party Transactions and Summary Schedule of Findings that certain expenditures for which actual expenses exceeded budgeted amounts.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated April 20, 2016.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Organization's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Organization's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content and methods of preparing the information to determine that the information complies with U.S generally accepted accounting principles, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This information is intended solely for the use of the Board of Directors of Six Corners Association, Commissioners of SSA #28 and the Executive Director of the Organization and is not intended to be, and should not be, used by anyone other than specified parties.

Very truly yours,

The A.C.T. Group, Ltd.

The A.C.T. Group, Ltd.
Certified Public Accountants
Chicago, Illinois

SPECIAL SERVICE AREA #28
(a taxing district authorized by the City of Chicago)

FINANCIAL STATEMENTS

DECEMBER 31, 2015

(TOGETHER WITH INDEPENDENT AUDITOR'S REPORT)

SPECIAL SERVICE AREA #28
(a taxing district authorized by the City of Chicago)

As of December 31, 2015

TABLE OF CONTENTS

	PAGE
<u>INDEPENDENT AUDITOR'S REPORT</u>	2
<u>FINANCIAL STATEMENTS</u>	
Statement of Net Position and Governmental Funds Balance Sheet	3
Statement of Activities and Governmental Funds, Revenues, Expenditures and Changes in Fund Balances	4
Statements of Revenues and Expenditures – Budget and Actuals	5-6
<u>NOTES TO FINANCIAL STATEMENTS</u>	7-9
Summary Schedule of Audit Findings	10
<u>STATE OF ILLINOIS CPA LICENSE</u>	11



THE A.C.T. GROUP Ltd

INDEPENDENT AUDITOR'S REPORT

To The Board of Directors of Six Corners Association
Commissioners of Special Service Area #28
Chicago, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of Special Service Area #28 (a taxing district authorized by the City of Chicago) as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the Special Service Area #28 basic financial statements as listed in the table of contents.

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 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 financial statements based on our audit. We conducted our audit 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 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, 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 unqualified audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Special Service Area #28 as of December 31, 2015 and the changes in financial position and budgetary comparison for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

The A.C.T. Group, Ltd

The A.C.T. Group, Ltd.
Certified Public Accountants
April 14, 2016

SPECIAL SERVICE AREA #28
(a taxing district authorized by the City of Chicago)
Managed by Six Corners Association
Statement of Net Position and Governmental Funds Balance Sheet
December 31, 2015

	<u>Governmental Funds</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>
ASSETS			
<u>Current Assets</u>			
Cash	\$ 82,830	\$ -	\$ 82,830
Property Tax Receivable, net of allowance for uncollectable taxes of \$12,104	290,506	-	290,506
Prepaid Expenses	146	-	146
Due from City of Chicago	49,585	-	49,585
Due from Six Corners Association	<u>2,276</u>	<u>-</u>	<u>2,276</u>
TOTAL ASSETS	<u>\$ 425,343</u>	<u>\$ -</u>	<u>\$ 425,343</u>
 LIABILITIES			
<u>Current Liabilities</u>			
Accounts Payable	<u>\$ 3,566</u>	<u>\$ -</u>	<u>\$ 3,566</u>
TOTAL LIABILITIES	3,566	-	3,566
 DEFERRED INFLOWS			
Deferred Property Tax Revenue	290,506	(290,506)	-
 FUND BALANCES / NET POSITION			
<u>Non-spendable:</u>			
Prepaid Items	146	(146)	-
<u>Committed:</u>			
	-	-	-
<u>Assigned:</u>			
	-	-	-
<u>Unassigned</u>			
	<u>131,125</u>	<u>(131,125)</u>	<u>-</u>
TOTAL FUND BALANCE	<u>131,271</u>	<u>(131,271)</u>	<u>-</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE	<u>\$ 425,343</u>		
 <u>Net Position</u>			
Restricted		<u>\$ 421,777</u>	<u>\$ 421,777</u>

Amounts reported for governmental activities in the statement of net position are different because:

Total fund balance - governmental funds	\$ 131,271
Property tax revenue is recognized in the period for which levied rather than when "available." A portion of the property tax is deferred as it is not available in the governmental funds.	<u>290,506</u>
Total net position - governmental activities	<u>\$ 421,777</u>

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

SPECIAL SERVICE AREA #28
(a taxing district authorized by the City of Chicago)
Managed by Six Corners Association
Statement of Activities and Governmental, Funds, Revenues,
Expenditures and Changes in Fund Balances
For the Year Ended December 31, 2015

	Governmental Funds	Adjustments	Statement of Activities
REVENUES:			
Property Taxes	\$ 222,551	\$ 26,733	\$ 249,284
Interest Income	<u>3</u>	<u>-</u>	<u>3</u>
TOTAL REVENUE	<u>222,554</u>	<u>26,733</u>	<u>249,287</u>
EXPENSES:			
Services:			
Customer Attraction	31,880	-	31,880
Public Way Aesthetics	61,775	-	61,775
Sustainability & Public Places	5,993	-	5,993
Economic/business Development	3,561	-	3,561
Safety Programs	<u>6,070</u>	<u>-</u>	<u>6,070</u>
Total Services Expense	<u>109,279</u>	<u>-</u>	<u>109,279</u>
Administration:			
Personnel	20,668	-	20,668
Admin - nonpersonnel	<u>22,937</u>	<u>-</u>	<u>22,937</u>
Total Administration Expense	<u>43,605</u>	<u>-</u>	<u>43,605</u>
TOTAL EXPENSES	<u>152,884</u>	<u>-</u>	<u>152,884</u>
Excess of revenues over expenditures	69,670	(69,670)	
Change in Net Position		96,403	96,403
FUND BALANCE/NET POSITION			
Beginning of the Year	<u>61,601</u>	<u>263,773</u>	<u>325,374</u>
End of the Year	<u>\$ 131,271</u>	<u>\$ 290,506</u>	<u>\$ 421,777</u>

Amounts reported for governmental activities in the statement of activities are different because:

Net change in Fund balance - governmental funds	\$ 69,670
Property tax revenue is recognized in the year it is levied rather than when it is available for governmental funds	<u>26,733</u>
Change in net position	<u>\$ 96,403</u>

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

SPECIAL SERVICE AREA #28
(a taxing district authorized by the City of Chicago)
Managed by Six Corners Association
Statement of Revenues and Expenditures - Budget and Actual
For the Year Ended December 31, 2015 and 2014

	2015			2014		
	BUDGET	ACTUAL	VARIANCE	BUDGET	ACTUAL	VARIANCE
REVENUES:						
Property Taxes	\$ 251,283	\$ 222,551	\$ (28,732)	\$ 219,754	\$ 244,130	\$ 24,376
Interest Income	-	3	3	-	9	9
Loss Collection	(5,900)	-	5,900	(10,988)	(1,108)	9,880
TOTAL REVENUE	245,383	222,554	(22,829)	208,766	243,031	34,265
EXPENSES:						
Customer Attraction						
Website	2,000	2,563	563	-	-	-
Special Events	10,000	8,343	(1,657)	-	-	-
Social Media Outreach	500	46	(454)	-	-	-
Decorative Banners	8,000	5,495	(2,505)	-	-	-
Holiday Decorations	8,000	6,003	(1,997)	-	-	-
Printed Materials	3,000	7,763	4,763	-	-	-
Display Advertising	16,000	1,150	(14,850)	-	-	-
PR/Media Relations	1,500	517	(983)	-	-	-
Total Customer Attraction	49,000	31,880	(17,120)	-	-	-
Public Way Aesthetics						
Acid etching Removal/Prevention						
Landscaping	51,000	25,209	(25,791)	22,500	17,878	(4,622)
Streetscape Elements	-	533	533	-	3,900	3,900
Public Art	-	8,103	8,103	-	-	-
Sidewalk Maintenance	41,000	27,930	(13,070)	-	-	-
Banners and/or Holiday Decorations	-	-	-	12,000	6,699	(5,301)
Total Public Way Aesthetics	92,000	61,775	(30,225)	34,500	28,477	(6,023)
Sustainability & Public Places						
Bicycle Transit Enhancements	7,000	5,993	(1,007)	-	-	-
Total Sustainability & Public Places	7,000	5,993	(1,007)	-	-	-
Economic/Business Development						
Site Marketing	2,120	1,115	(1,005)	-	-	-
Strategic Planning	2,400	2,441	41	-	-	-
Commission Development	500	5	(495)	-	-	-
Data Collection	1,200	-	(1,200)	-	-	-
Total Econ./Bus. Development	6,220	3,561	(2,659)	-	-	-
Safety Programs						
Public Way Surveillance	3,000	2,950	(50)	-	-	-
Pan Handling Abatement	3,120	3,120	-	-	-	-
Total Safety Programs	6,120	6,070	(50)	-	-	-
Advertising & Promotion						
Website and/or Social Media	-	-	-	5,000	877	(4,123)
Public and/or Media Relations	-	-	-	3,975	2,175	(1,800)
Special Events	-	-	-	17,250	2,217	(15,033)
Display Advertising	-	-	-	16,780	13,973	(2,807)
Printed Materials	-	-	-	4,300	4,147	(153)
Total Advertising & Promotion	-	-	-	47,305	23,389	(23,916)

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

SPECIAL SERVICE AREA #28
(a taxing district authorized by the City of Chicago)
Managed by Six Corners Association
Statement of Revenues and Expenditures - Budget and Actual
For the Year Ended December 31, 2015 and 2014

	2015			2014		
	BUDGET	ACTUAL	VARIANCE	BUDGET	ACTUAL	VARIANCE
Public Way Maintenance						
Sidewalk Cleaning	-	-	-	18,000	18,000	-
Sidewalk Snow Plowing	-	-	-	17,000	27,882	10,882
Sidewalk Power Washing	-	-	-	3,000	-	(3,000)
Supplies	-	-	-	775	-	(775)
Acid Etching Removal/Prevention	-	-	-	-	540	540
Total Public Way Maintenance	<u>-</u>	<u>-</u>	<u>-</u>	<u>38,775</u>	<u>46,422</u>	<u>7,647</u>
Tenant Retention/Attraction	-	-	-			
Data Collection	-	-	-	1,200	-	(1,200)
Site Marketing Materials	-	-	-	2,120	2,545	425
Total Tenant Retention/Attraction	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,320</u>	<u>2,545</u>	<u>(775)</u>
Façade Improvements						
Façade Enhance Program	-	-	-	5,000	5,563	563
Total Façade Improvements	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,000</u>	<u>5,563</u>	<u>563</u>
Safety Programs						
Panhandling Abatement	-	-	-	3,120	1,627	(1,493)
Security Subcontractor	-	-	-	3,120	1,560	(1,560)
Total Public Way Surveillance	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,240</u>	<u>3,187</u>	<u>(3,053)</u>
District Planning						
SSA Work Plans	-	-	-	-	15,366	15,366
Strategic Planning	-	-	-	2,400	-	(2,400)
Total District Planning	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,400</u>	<u>15,366</u>	<u>12,966</u>
Admin Non-Personnel						
Annual Report	500	55	(445)	1,100	-	(1,100)
Audit	7,000	4,885	(2,115)	3,000	5,083	2,083
Bookkeeping	7,601	1,046	(6,555)	401	2,243	1,842
Office Rent	6,000	3,660	(2,340)	7,200	6,400	(800)
Office Utilities	3,120	1,256	(1,864)	3,120	3,298	178
Office Supplies	2,500	1,537	(963)	2,000	1,853	(147)
Office Equip Lease/Maint	2,000	-	(2,000)	1,100	2,406	1,306
Office Printing	-	80	80	-	-	-
Postage	200	191	(9)	300	508	208
Meeting Expense	1,000	545	(455)	1,000	1,083	83
Subscriptions/Dues	800	2,379	1,579	395	-	(395)
Banking Fees	-	(191)	(191)	-	-	-
Equip Pur./Maint.	-	4,460	4,460	-	-	-
Supplies	800	(88)	(888)	-	-	-
Insurance	1,300	2,376	1,076	-	1,364	1,364
Payroll Processing/Training	1,700	746	(954)	2,500	4,118	1,618
Total Admin - nonpersonnel	<u>34,521</u>	<u>22,937</u>	<u>(11,584)</u>	<u>22,116</u>	<u>28,356</u>	<u>6,240</u>
Personnel						
Total Personnel	<u>50,522</u>	<u>20,668</u>	<u>(29,854)</u>	<u>66,110</u>	<u>65,830</u>	<u>(280)</u>
TOTAL EXPENSES	245,383	152,884	(92,499)	225,766	219,135	(6,631)
Excess of Revenues Over Expenses	<u>\$ -</u>	<u>\$ 69,670</u>	<u>\$ 69,670</u>	<u>\$ (17,000)</u>	<u>\$ 23,896</u>	<u>\$ 40,896</u>

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

SPECIAL SERVICE AREA #28
(a taxing district authorized by the City of Chicago)
Managed by Six Corners Association
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

1. Summary of Significant Accounting Policies

Reporting Entity: Special Service Area #28 (SSA) provides services on behalf of the City of Chicago (City) within a specified geographic area. These services include promotional and advertising, maintenance of the public way, safety, and other functions. The SSA is exempt from federal income tax under section 501(c)(6) of the Internal Revenue code.

Government-Wide and Fund Financial Statements: The financial statements of the SSA have been prepared in conformity with the accounting principles generally accepted in the United States of America as applied to governmental units, hereinafter referred to as GAAP(generally accepted accounting principles). The accepted standard-setting body for the establishing governmental accounting and financial reporting principles is GASB (the Governmental Accounting Standards Board).

Government-Wide financial statements (statements of net position and statement of activities) are prepared using the economic resources measurement focus and the accrual basis of accounting for all of the SSA's activities. The Fund Financial Statements, which focus on the SSA's governmental funds current financial resources measurement focus, are prepared on the modified accrual basis.

The SSA accounts for its activities in one fund, its general fund.

Measurement Focus, Basis of Accounting and Financial Statement Presentation: The government-wide financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year they are levied.

The governmental fund financial statements are prepared on the modified accrual basis of accounting with only current assets and liabilities included on the balance sheet. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e. both measurable and available to finance expenditures of the current period. Available means collected within the current period or soon enough thereafter to be used to pay liabilities of the current period. Property taxes are susceptible to accrual and recognized as a receivable in the year levied. Revenue recognition is deferred unless the taxes are received within 60 days subsequent to year-end. Expenditures are recorded when the liability is incurred.

The preparation of financial statement in conformity with accounting principles generally accepted in the United States of America 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 expenditures/expenses during the reporting period. Accordingly, actual results could differ from those estimates.

SPECIAL SERVICE AREA #28
(a taxing district authorized by the City of Chicago)
Managed by Six Corners Association
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

Assets, Liabilities, and Net Position:

Cash, Cash equivalents and investments: The SSA's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Receivables: All property tax receivables are shown net of allowances. As of December 31, 2015, the allowance is estimated to be 4% of the outstanding property taxes.

Prepaid items: Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements.

Fund Equity/Net Position: Government fund equity is classified as fund balance. Fund balance is further classified as nonspendable, restricted, committed, assigned, or unassigned. Nonspendable fund balance cannot be spent because of its form. Restricted fund balance has limitations imposed by enabling legislation or an outside party. Committed fund balance is a limitation imposed by the SSA board through approval of resolutions. Assigned fund balance is a limitation imposed by a designee of the SAA board. Unassigned fund balance is a net resource in excess of what can be properly classified in one of the above four categories.

When both restricted and unrestricted fund balances are available for use, it is the SSA's policy to use restricted fund balance first, then unrestricted fund balance. Furthermore, committed fund balance is reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications can be used.

For the government-wide financial statement, net position is reported as invested in capital assets net of related debt, restricted or unrestricted. Invested in capital assets, net of related debt, if applicable, is comprised of the net capital asset balance less any related debt. Restricted net position is when restrictions are placed on net assets from 1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or 2) imposed by law through constitutional provisions or enabling legislation. The remaining net position is classified as unrestricted.

2. Cash

The Organization maintains its cash in two bank deposit accounts, which, at times, may exceed federally insured limits. The Organization had not experienced any losses in such accounts. The Organization believes it is not exposed to any significant credit risk in cash.

SPECIAL SERVICE AREA #28
(a taxing district authorized by the City of Chicago)
Managed by Six Corners Association
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

3. Property Taxes

Property taxes become an enforceable lien on real property on January 1 of the year it is levied. Taxes are payable in two installments in the subsequent year. The first installment is an estimate based on the prior year billed levy (55%) and is due in March. The second installment is due on August 1, or 30 days from the mailing of the tax bills if issued later than July 1. The second installment is based on the remaining amount of the levy on file with the County. Bills are issued and collected by Cook County who remits the SSA's share to the City who then remits the monies to the SSA.

The Due from City of Chicago consists of TIF funds from 2013 and 2014 of \$49,585.

4. Related Party Transactions

The SSA is affiliated with the Six Corners Association, which provides certain administrative services for the SSA. As of December 31, 2015, \$0 was payable for services or goods provided. This is due to the fact that the payments of services happen in the same month as the services or goods provided. However, as of December 31, 2015 \$2,276 was due from Six Corners Association for various transactions during the year.

5. Prior Year Reclassifications

For comparability, the prior year's financial statements reflect reclassifications where appropriate to conform to the financial statement presentation used this year.

SPECIAL SERVICE AREA #28
(a taxing district authorized by the City of Chicago)
Managed by Six Corners Association
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

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 Housing and Economic Development dated June 2013, we have read the requirements contained in the Agreement for Special Service Area #28 between the City of Chicago and Six Corners Association.

Per Article 5.03, the Contractor established a separate bank account in a bank in Chicago, Illinois. All service tax funds were automatically deposited into this bank account.

We noted certain expenditures for which actual expenses exceeded budgeted amounts.

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

SPECIAL SERVICE AREA #28
(a taxing district authorized by the City of Chicago)
Managed by Six Corners Association
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

State of Illinois		
Department of Financial and Professional Regulation		
Division of Professional Regulation		
LICENSE NO.	The person, firm or corporation whose name appears on this certificate has complied with the provisions of the Illinois Statutes and/or rules and regulations and is hereby authorized to engage in the activity as indicated below.	EXPIRES:
066.004594		11/30/2018
065.042880		
PUBLIC ACCOUNTING FIRM BUSINESS CORPORATION		
KAPPA TOTAL MANAGEMENT INC DBA THE ACT GROUP LTD 230 W POTOMAC AVE LOMBARD, IL 60148		
	 BRYAN A. SCHNEIDER SECRETARY	 JAY STEWART DIRECTOR
The official status of this license can be verified at www.idfpr.com		10182251