

**SIX CORNERS
SPECIAL SERVICE AREA #28**

FINANCIAL STATEMENTS

For the Year Ended December 31, 2009

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To The Commissioners
Six Corners
Special Service Area #28
Chicago, Illinois

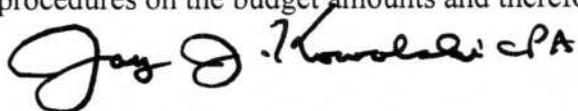
Independent Auditors' Report

We have audited the accompanying Statements of Assets, Liabilities and Net Assets of Six Corners Special Service Area #28 as of December 31, 2009 and the related Statement of Revenues, Expenditures and Changes in Net Assets, Statement of Cash Flows and Summary Schedule of Audit Findings for the year then ended. These financial statements are the responsibility of Six Corners Special Service Area #28 management. 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 includes examining, on a test basis, evidence supporting the amount and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to in the first paragraph, present fairly, in all material respects, the financial position of Six Corners Special Service Area #28 as of December 31, 2009 and its revenues, expenditures, changes in net assets, cash flows and summary schedule of audit findings for the year then ended in conformity with generally accepted auditing standards.

The 2009 and 2008 budget amounts, which were arrived at by the Special Service Area and are shown in the Statement of Revenue, Expenditures and Changes in Net Assets, are presented for comparison purposes only. We have not performed any auditing procedures on the budget amounts and therefore, express no opinion on them.



Jay J. Kowalski, CPA
February 17, 2009

SIX CORNERS SPECIAL SERVICE AREA #28
STATEMENT OF ASSETS, LIABILITIES
AND NET ASSETS
As of December 31, 2009
(With comparative Totals for 2008)

ASSETS

	<u>2009</u>	<u>2008</u>
Cash	\$157,944	\$ 99,351
Accounts Receivable	1,272	0
Prepaid Health Insurance	<u>0</u>	<u>1,161</u>
TOTAL ASSETS	<u>\$159,216</u>	<u>\$100,512</u>

LIABILITIES AND NET ASSETS

Accounts Payable	\$ 19,909	\$ 5,976
Loans Payable	<u>\$ 0</u>	<u>\$ 0</u>
TOTAL LIABILITIES	<u>\$ 19,909</u>	<u>\$ 5,976</u>
Net assets	<u>\$139,307</u>	<u>\$ 94,536</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$159,216</u>	<u>\$100,512</u>

See Accompanying Notes

Six Corners Special Services Area #28
Statement of Revenue and Expenditures
For the Year Ended December 31, 2009
(With Comparative Totals for 2008)

	2009	2009		2008	2008	
	Actual	Budget	Variance	Actual	Budget	Variance
REVENUES						
Interest Earnings	499	2,000	(1,501)	2,401	3,000	(599)
Membership dues	0	0	0	0	0	0
Real Estate tax levy (Note 2)	218,576	218,576	0	217,911	217,911	0
Services	0	0	0	935	0	935
Sponsorships	2,020	1,500	520	0	0	0
Total Revenue	221,095	222,076	(981)	221,247	220,911	336
EXPENDITURES						
Advertising & Promotion						
Display Ads	17,057	19,250	(2,193)	18,194	17,500	694
Holiday/Seasonal Promos	1,237	2,500	(1,263)	2,207	1,984	223
Print Materials	9,989	2,000	7,989	8,976	1,000	7,976
Public /Media Relations	1,275	1,500	(225)	886	0	886
Special Events	2,165	7,700	(5,535)	4,252	4,300	(48)
Website/Technology	588	0	588	3,489	1,500	1,989
Service Provider Comp.	8,856	11,564	(2,708)	7,662	7,632	30
Payroll Taxes	662	0	662	546	0	546
Other-Portage Theatre Grants	5,504	5,500	4	5,039	5,000	39
Other-Six Cornucopia	8,407	6,500	1,907	9,757	6,000	3,757
Other	0	0	0	0	0	0
Total Advertising & Promotion	55,740	56,514	(774)	61,008	44,916	16,092
Public Way Maintenance						
Equipment Purch/Maint.	100	0	100	150	0	150
Graffiti Removal	1,090	1,500	(410)	625	1,500	(875)
Liability/Property Insurance	0	0	0	0	0	0
Sidewalk Cleaning	18,273	19,200	(927)	20,130	19,200	930
Sidewalk Power Washing	0	0	0	0	0	0
Sidewalk Snow Plowing	22,860	29,500	(6,640)	46,942	35,000	11,942
Staff Wages and Benefits	0	0	0	0	220	(220)
Supplies	230	250	(20)	24	250	(226)
Service Provider Comp.	8,390	8,400	(10)	9,013	11,500	(2,487)
Payroll Taxes	610	0	610	648	0	648
Other (SCA vests)	0	0	0	0	0	0
Total Public Way Maintenance	51,553	58,850	(7,297)	77,532	67,670	9,862
Public Way Aesthetics						
Decorative Banners	0	3,000	(3,000)	0	3,000	(3,000)
Holiday Decorations	9,282	15,620	(6,338)	15,632	16,320	(688)
Landscaping	8,657	17,500	(8,843)	32,876	37,000	(4,124)
Property Insurance	0	0	0	0	0	0
Streetscape Elements	3,246	78,586	(75,340)	0	126,628	(126,628)
Wayfinding/Signage	582	750	(168)	71	0	71
Service Provider Comp.	10,780	10,430	350	11,021	13,010	(1,989)
Payroll Taxes	727	0	727	790	0	790
Other	0	0	0	0	0	0
Total Public Way Aesthetics	33,274	125,886	(92,612)	60,390	195,958	(135,568)
See Accompanying Notes						
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**Six Corners Special Services Area #28
Statement of Revenue and Expenditures
For the Year Ended December 31, 2009
(With Comparative Totals for 2008)**

	2009	2009		2008	2008	
	Actual	Budget	Variance	Actual	Budget	Variance
Tenant Retention/Attract.						
Owner/Broker/Tenant Relat.	3,313	2,605	708	864	1,000	(136)
Pre-Development Costs	0	0	0	105	0	105
Site Marketing materials	995	1,000	(5)	31	0	31
Technical Assistance to Business	0	0	0	0	0	0
Service Provider Comp.	1,656	2,486	(830)	2,346	2,486	(140)
Payroll Taxes	147	0	147	162	0	162
Total Tenant Retention/Attract.	6,111	6,091	20	3,508	3,486	22
Facade Improvements						
Facade Enhancement Program	922	2,250	(1,328)	218	2,000	(1,782)
Awning Cleaning Program	0	0	0	0	0	0
Signage Removal Program	0	0	0	0	0	0
Service Provider Comp.	5,625	6,000	(375)	5,798	6,847	(1,049)
Payroll Taxes	416	0	416	416	0	416
Total Facade Improvements	6,963	8,250	(1,287)	6,432	8,847	(2,415)
Parking/Transit/Access.						
Parking Fee Subsidy	0	0	0	0	0	0
Parking Facility Enhancement	998	0	998	42	0	42
Parking Wayfinding/Signage	0	2,500	(2,500)	700	0	700
Service Provider Comp.	2,570	2,371	199	2,928	3,424	(496)
Payroll Taxes	188	0	188	208	0	208
Total Parking/Transit/Access.	3,756	4,871	(1,115)	3,878	3,424	454
Safety Programs						
Panhandling Abatement	5,238	5,500	(262)	3,953	5,500	(1,547)
Security Subcontractor	780	0	780	0	0	0
Service Provider Comp.	1,512	2,371	(859)	1,449	1,712	(263)
Payroll Taxes	116	0	116	104	0	104
Total Safety Programs	7,646	7,871	(225)	5,506	7,212	(1,706)
District Planning						
Master/Streetscape Plans	0	0	0	0	0	0
SSA Work Plans, Visioning	0	0	0	0	0	0
Branding, Identity Dev.	0	0	0	0	0	0
District Market Study	7,563	8,000	(437)	0	0	0
SSA Start-up Costs	0	0	0	0	0	0
Service Provider Comp.	1,102	948	154	1,449	1,712	(263)
Payroll Taxes	107	0	107	104	0	104
Total District Planning	8,772	8,948	(176)	1,553	1,712	(159)

See Accompanying Notes

Six Corners Special Services Area #28
Statement of Revenue and Expenditures
For the Year Ended December 31, 2009
(With Comparative Totals for 2008)

	2009	2009		2008	2008	
	Actual	Budget	Variance	Actual	Budget	Variance
Management						
Audit/Bookkeeping	2,465	2,500	(35)	1,706	2,000	(294)
Meeting Expense	2,037	2,000	37	2,204	1,750	454
Office Equip Purch/Maint.	2,043	2,100	(57)	1,200	500	700
Office Rent	4,000	4,050	(50)	4,000	4,000	0
Office Supplies	738	1,125	(387)	1,575	1,500	75
Office Utilities/Telephone	3,203	3,194	9	2,200	1,500	700
Postage	390	400	(10)	711	500	211
Office Printing	2,499	1,125	1,374	0	1,500	(1,500)
Service Provider Comp.	6,317	6,500	(183)	4,323	4,793	(470)
Subscription/dues	425	428	(3)	488	570	(82)
Training	545	473	72	1,683	2,000	(317)
Insurance	478	500	(22)	483	0	483
Payroll Processing	854	900	(46)	836	780	56
Payroll Taxes	462	0	462	503	0	503
Total Management	26,456	25,295	1,161	21,912	21,393	519
Loss Collection	3,093	11,000	(7,907)	1,850	10,922	(9,072)
Total Expenditures	203,364	313,576	(110,212)	243,569	365,540	(121,971)
Excess of Revenue over Expenditures	17,731	(91,500)	109,231	(22,322)	(144,629)	122,307
	See Accompanying Notes					
	-3C-					

SIX CORNERS SPECIAL SERVICE AREA #28
STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2009
(With Comparative Totals for 2008)

	<u>2009</u>	<u>2008</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>		
Increase/(decrease) in net assets	\$ 44,771	\$(44,274)
Adjustment to reconcile increase in Net assets to net cash provided by operating activities:		
(Increase) decrease in accounts receivable	(1,272)	0
(Increase) decrease in prepaid insurance	1,161	(408)
Increase/(decrease) in accounts/loans payable	<u>13,933</u>	<u>(3,595)</u>
Net cash provided by operating activities	<u>58,593</u>	<u>(48,277)</u>
Net increase in cash	58,593	(48,277)
Cash at the beginning of the year	<u>99,351</u>	<u>147,628</u>
Cash at the end of year	<u>\$157,944</u>	<u>\$ 99,351</u>

See Accompanying Notes

**SIX CORNERS SPECIAL SERVICE AREA #28
NOTES TO FINANCIAL STATEMENTS**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of organization- Six Corners Special Service Area #28 was created by the City of Chicago to provide additional services to the area. The primary source of funds is from real estate taxes on certain property in the Special Service Area. Special Services Area #28 generates revenue for the sole purpose of improving and enhancing the business district of six corners the boundaries of which are generally properties fronting Irving Park Road, Milwaukee Avenue and Cicero Avenue within a two block radius of the six corners intersection. Activities and services funded include: cleaning and beautification activities, coordination of advertising and promotional events, attraction and recruitment of new quality businesses to the area, and technical assistance to existing and potential businesses.

In addition, Six Corners Special Service Area #28 funds the operation of a public services office in the heart of the commercial area, which is a resource to both businesses and area residents.

Basis of Accounting – The accompanying financial statements have been prepared on the accrual method. Based on information provided by the Department of Planning and Development, the recognition of revenue by the SSA when received would be considered within generally accepted accounting principles. This allows Special Service Area's to prepare financial statements on the accrual method.

Cash and Cash Equivalents- Cash and cash equivalents are held in the name of Six Corners Special Service Area #28 without physical segregation as to various restricted portions. All earnings on such are allocated to unrestricted revenue. For purposes of the statements of cash flows, the Organization considers all highly liquid investments with an initial maturity of three months or less to be equivalents.

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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 2 – REAL ESTATE TAX REVENUE

The Organization's principal source of revenue is from real estate taxes levied on certain property located in the boundaries listed in Note 1. The taxes are assessed and collected by Cook County, and paid to the City of Chicago, which then remits to the Organization. Taxes are levied in one year, but paid in two installments the following year by the property owners. The Organization recognizes this revenue in the year in which the funds become available.

SIX CORNERS SPECIAL SERVICE AREA #28

SUMMARY SCHEDULE OF AUDIT FINDINGS

I HAVE READ THE SERVICE PROVIDER AGREEMENT AND NO EXCEPTIONS
WERE NOTED.