

City of Chicago Department of Planning and Development

Special Service Area (SSA) Program

Audit Report Package Transmittal Checklist

This checklist must be completed and submitted with audit report package to City's Department of Planning and Development (DPD) via DPD's SharePoint platform. Note: Effective with 2019 audit report package submissions e-mail submissions are not an acceptable form of transmittal and report packages will be deemed "not submitted" unless they are uploaded into CPD's SharePoint platform. For each SSA submission enter the starting page number for each of the PDF audit report package components listed below. Each required component on the checklist must have a numeric page number, unless otherwise noted.

SSA Name and number: **63rd Street – SSA #3**

SSA Provider Name: **Greater Southwest Development Corporation**

Submission Date: **May 25, 2023**

Starting PDF Page Number	Audit Report Package Components
6	Comparative Financial Statements
6	1. Statement of Net Position and Governmental Fund Balance Sheet – Current Year
6	2. Statement of Net Position and Governmental Fund Balance Sheet – Prior Year
7	3. Statement of Activities and Governmental Fund Revenues, Expenditures and Changes in Fund Balance – Current Year
7	4. Statement of Activities and Governmental Fund Revenues, Expenditures and Changes in Fund Balance – Prior Year
8	5. Statement of Revenues and Expenditures – Budget and Actual
4	Auditor's Opinion on Financial Statements
17	Schedule of Findings – Current and Prior Year, if applicable
17	Corrective Action Plan – Current and Prior Year, if applicable (if findings)*
18	Audit Firm CPA License
19	SSA Budget Summary page for the latest modified/amended budget approved by your SSA commission (for current audit period)
Separate PDF file attached – Yes/No	SSA Detailed SSA Commission Approved Budget
Yes	Note: SSA Service Provider must submit detailed budget corresponding to Summary page, noted above, with audit report package.

*required if findings exist

**Special Service Area #3
Financial Statements and
Independent Auditor's Report**

December 31, 2022 and 2021

**Special Service Area #3
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December 31, 2022 and 2021**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
Special Service Area #3
Chicago, Illinois

Opinion

We have audited the accompanying financial statements of Special Service Area #3 (a local tax district created by the City of Chicago), which comprise the statements of net position and governmental funds balance sheets as of December 31, 2022 and 2021, and the related statements of activities and governmental funds revenues, expenditures and changes in fund balance, and statements of revenues and expenditures – budget and actual, for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Special Service Area #3 as of December 31, 2022 and 2021, and the changes in its fund balance for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits 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 Special Service Area #3 and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Special Service Area #3's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audits 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 opinion. 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 Special Service Area #3'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.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Special Service Area #3's ability to continue as a going concern for a reasonable period of time.

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 audits.



Evolve Financial I

Taxpayer Identification Number
46-3683619

April 30, 2023

Lead Auditor: Michael R. Sieczkowski II, CPA
IL License No.: 065.035219

**Special Service Area #3
Statements of Net Position and
Governmental Funds Balance Sheets
December 31, 2022 and 2021**

	2022			2021		
	Governmental Funds	Adjustments	Statement of Net Position	Governmental Funds	Adjustments	Statement of Net Position
ASSETS						
Cash and cash equivalents	\$ 1,202,260	\$ -	\$ 1,202,260	\$ 1,045,087	\$ -	\$ 1,045,087
Interest Receivable	72	-	72	1	-	1
Property Tax Levy Receivable, Net of Allowance for Uncollectible Taxes of \$100,000	1,161,679	-	1,161,679	1,362,104	-	1,362,104
TIF Rebate Fund Receivable	-	-	-	134,356	-	134,356
Vehicles, net of accumulated depreciation (2022 - \$10,975 and 2021 - \$844)	40,525	-	40,525	50,656	-	50,656
Total Assets	<u>\$ 2,404,536</u>	<u>\$ -</u>	<u>\$ 2,404,536</u>	<u>\$ 2,592,204</u>	<u>\$ -</u>	<u>\$ 2,592,204</u>
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE/NET POSITION						
Liabilities:						
Due to SSA Service Provider (Note 5)	\$ 83,338	\$ -	\$ 83,338	\$ 82,540	\$ -	\$ 82,540
Accounts Payable	69,970	-	69,970	25,585	-	25,585
Deferred Property Tax Revenue Inflow	1,088,730	(1,088,730)	-	1,435,483	(1,435,483)	-
Total Liabilities	1,242,038	(1,088,730)	153,308	1,543,608	(1,435,483)	108,125
Fund Balance, Unassigned	1,162,498	(1,162,498)	-	1,048,596	(1,048,596)	-
Total Liabilities, Deferred Inflows, and Fund Balance	<u>\$ 2,404,536</u>			<u>\$ 2,592,204</u>		
Net Position, Restricted		<u>\$ (2,251,228)</u>	<u>\$ 2,251,228</u>		<u>\$ (2,484,079)</u>	<u>\$ 2,484,079</u>

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

Total fund balance - governmental funds	\$ 1,162,498	\$ 1,048,596
Property tax revenue is recognized in the period in which funds are levied rather than when "available". A portion of the property tax is deferred as it is not available in the governmental funds.	<u>1,088,730</u>	<u>1,435,483</u>
Total net position - governmental activities	<u>\$ 2,251,228</u>	<u>\$ 2,484,079</u>

See Independent Auditor's Report.
The accompanying notes are an integral part of these financial statements.

**Special Service Area #3
Statements of Activities and
Governmental Funds, Revenues, Expenditures and
Changes in Fund Balance
Years Ended December 31, 2022 and 2021**

	2022			2021		
	Governmental Funds	Adjustments	Statement of Activities	Governmental Funds	Adjustments	Statement of Activities
Revenues						
Tax Collections from the City of Chicago (Note 4)	\$ 978,029	\$ (346,753)	\$ 631,276	\$ 1,006,675	\$ 180,458	\$ 1,187,133
Interest Revenue	99	-	99	17	-	17
Total Revenues	978,128	(346,753)	631,375	1,006,692	180,458	1,187,150
Expenses						
Customer Attraction	188,397	-	188,397	108,768	-	108,768
Public Way Aesthetics	366,600	-	366,600	323,377	-	323,377
Economic/Business Development	12,500	-	12,500	-	-	-
Safety programs	29,276	-	29,276	20,838	-	20,838
Personnel	125,598	-	125,598	142,256	-	142,256
SSA Management	141,855	-	141,855	71,904	-	71,904
Total expenses	864,226	-	864,226	667,143	-	667,143
Excess of Revenues Over Expenses (Excess of Expenses Over Revenues)	113,902	(113,902)		339,549	(339,549)	
Change in Fund Balance/Net Position		(232,851)	(232,851)		520,007	520,007
Fund Balance/Net Position, Beginning of Year	1,048,596	1,435,483	2,484,079	709,047	1,255,025	1,964,072
Fund Balance/Net Position, End of Year	\$ 1,162,498	\$ 1,088,730	\$ 2,251,228	\$ 1,048,596	\$ 1,435,483	\$ 2,484,079

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

Net change in Fund balance - governmental funds	\$ 113,902	\$ 339,549
Property tax revenue is recognized in the year it is levied rather than when it is available for governmental funds	(346,753)	180,458
	<u>\$ (232,851)</u>	<u>\$ 520,007</u>

See Independent Auditor's Report.
The accompanying notes are an integral part of these financial statements.

Special Service Area #3
Statements of Revenues and Expenditures
Budget and Actual
Years Ended December 31, 2022 and 2021

	2022			2021		
	Budget	Actual	Favorable (Unfavorable)	Budget	Actual	Favorable (Unfavorable)
Revenues						
Property Taxes	\$ 1,121,727	\$ 978,029	\$ (143,698)	\$ 1,255,025	\$ 1,006,675	\$ (248,350)
Interest	-	99	99	-	17	17
Total Revenues	1,121,727	978,128	(143,599)	1,255,025	1,006,692	(248,333)
Customer Attraction						
Website and/or social media	11,500	2,285	9,215	3,000	-	3,000
Special events	55,500	64,332	(8,832)	35,500	48,887	(13,387)
Free Wi-Fi Program	37,000	-	37,000	34,946	-	34,946
Social media outreach	23,000	8,750	14,250	3,076	-	3,076
Decorative banners	35,500	32,262	3,238	3,000	50,173	(47,173)
Holiday decorations	48,000	35,929	12,071	8,000	-	8,000
Print materials	20,000	8,688	11,312	26,000	-	26,000
Display Advertising	30,000	-	30,000	39,000	-	39,000
Business academy	-	2,000	(2,000)	-	-	-
Holiday/Seasonal promotions	23,000	9,101	13,899	24,000	9,708	14,292
Technical/Marketing assistance	10,000	25,050	(15,050)	11,719	-	11,719
Total Advertising and Promotion	293,500	188,397	105,103	188,241	108,768	79,473

See Independent Auditor's Report.
The accompanying notes are an integral part of these financial statements.

Special Service Area #3
Statements of Revenues and Expenditures
Budget and Actual - (Continued)
Years Ended December 31, 2022 and 2021

	2022			2021		
	Budget	Actual	Favorable (Unfavorable)	Budget	Actual	Favorable (Unfavorable)
Public Way Aesthetics						
Acid etching removal and/or prevention	3,000	-	3,000	300	-	300
Landscaping (plants, watering, etc.)	69,999	67,443	2,556	52,050	234,394	(182,344)
Façade enhancement program	51,000	47,075	3,925	132,575	12,463	120,112
Way finding/signage	50,000	9,170	40,830	91,958	9,283	82,675
Streetscape elements	50,000	89,564	(39,564)	-	-	-
Public Art	17,000	14,989	2,011	2,667	21,733	(19,066)
Sidewalk Maintenance - Materials and Supplies	17,000	3,290	13,710	14,414	1,775	12,639
Sidewalk Maintenance - Service Contract	90,000	89,335	665	-	-	-
Maintenance - On-Staff Personnel	45,734	45,734	-	38,131	43,729	(5,598)
Total Public Way Aesthetics	<u>393,733</u>	<u>366,600</u>	<u>27,133</u>	<u>332,095</u>	<u>323,377</u>	<u>8,718</u>
Sustainability and Public Places						
Garbage/Recycling Material Program	100	-	100	-	-	-
Total Sustainability and Public Places	<u>100</u>	<u>-</u>	<u>100</u>	<u>-</u>	<u>-</u>	<u>-</u>
Economic/Business Development						
Site marketing (materials, services, etc.)	10,000	-	10,000	75,500	-	75,500
Group Purchasing Program	40,000	-	40,000	-	-	-
Senior Shuttle travel service	100	-	100	7,647	-	7,647
Strategic Planning	18,000	12,500	5,500	-	-	-
SSA Branding consulting services	22,900	-	22,900	12,188	-	12,188
Total Economic/Business Development	<u>91,000</u>	<u>12,500</u>	<u>78,500</u>	<u>95,335</u>	<u>-</u>	<u>95,335</u>

See Independent Auditor's Report.
The accompanying notes are an integral part of these financial statements.

Special Service Area #3
Statements of Revenues and Expenditures
Budget and Actual - (Continued)
Years Ended December 31, 2022 and 2021

	2022			2021		
	Budget	Actual	Favorable (Unfavorable)	Budget	Actual	Favorable (Unfavorable)
Safety programs						
Public Way Surveillance	20,000	-	20,000	-	-	-
Safety improvement program - rebates	40,000	22,692	17,308	35,000	20,338	14,662
Security patrol services	321,326	6,584	314,742	335,000	-	335,000
Health/PPE Rebate	16,000	-	16,000	15,000	500	15,500
Total Safety programs	397,326	29,276	368,050	385,000	20,838	364,162
SSA Management						
SSA Annual Report	5,000	5,000	-	5,000	-	5,000
SSA audit	5,600	5,600	-	5,600	5,489	111
Office Rent	7,000	7,000	-	8,000	8,000	-
Office Utilities	12,000	12,000	-	15,000	17,697	(2,697)
Office supplies	8,000	10,423	(2,423)	10,000	-	10,000
Office Equipment Lease/Maintenance	2,600	2,600	-	2,600	2,724	(124)
Office printing	12,000	12,000	-	15,000	648	14,352
Postage	2,726	2,726	-	2,726	670	2,056
Commission meetings and training	300	366	(66)	300	321	(21)
Subscriptions/Dues	500	2,703	(2,203)	100	1,454	(1,354)
Equipment purchase/maintenance/depreciation	2,000	10,695	(8,695)	2,000	973	1,027
Supplies	1,200	-	1,200	1,200	1,930	(730)
Storage space fees	100	100	-	-	-	-
Liability/Property Insurance	8,000	8,000	-	8,000	13,333	(5,333)
Conferences and training	100	-	100	-	-	-
IT Monitoring services	100	403	(303)	-	-	-
SSA Contractor	67,000	62,239	4,761	-	-	-
GIS & Real Estate Consultants	-	-	-	-	18,665	(18,665)
Total SSA Management	134,226	141,855	(7,629)	75,526	71,904	3,622

See Independent Auditor's Report.
The accompanying notes are an integral part of these financial statements.

Special Service Area #3
Statements of Revenues and Expenditures
Budget and Actual - (Continued)
Years Ended December 31, 2022 and 2021

	2022			2021		
	Budget	Actual	Favorable (Unfavorable)	Budget	Actual	Favorable (Unfavorable)
Personnel						
Executive Director	15,315	15,315	-	14,365	14,365	-
SSA Manager	-	-	-	43,940	27,907	16,033
Outreach Manager	50,000	50,000	-	40,560	27,474	13,086
Director	10,160	10,160	-	9,360	9,360	-
Community Safety Manager	-	-	-	43,680	33,679	10,001
Director of Accounting	13,923	13,923	-	13,923	16,687	(2,764)
Accounting Manager	15,000	15,000	-	13,000	12,784	216
Receptionist	8,200	8,200	-	-	-	-
Programing Coordinator	13,000	13,000	-	-	-	-
Total Personnel	<u>125,598</u>	<u>125,598</u>	<u>-</u>	<u>178,828</u>	<u>142,256</u>	<u>36,572</u>
Total Expenses	<u>1,435,483</u>	<u>864,226</u>	<u>571,257</u>	<u>1,255,025</u>	<u>667,143</u>	<u>587,882</u>
Revenues over Expenses (Expenses over Revenues) prior to carryover	(313,756)	113,902	427,658	-	339,549	339,549
Prior year carryover	313,756	-	(313,756)	-	-	-
Revenues over Expenses (Expenses over Revenues)	<u>\$ -</u>	<u>\$ 113,902</u>	<u>\$ 113,902</u>	<u>\$ -</u>	<u>\$ 339,549</u>	<u>\$ 339,549</u>

See Independent Auditor's Report.
The accompanying notes are an integral part of these financial statements.

Special Service Area #3
Notes to Financial Statements
December 31, 2022 and 2021

Note 1. Organization and Nature of Operations

Greater Southwest Development Corporation (GSDC) is the catalyst for creating and maintaining a vital greater southwest Chicago community by empowering, building, and sustaining development to raise the quality of life for its neighborhood residents, businesses, and industries.

Special Service Areas (SSA) are local tax districts that fund expanded services and programs through a localized property tax levy within contiguous areas. The enhanced services and programs are in addition to those currently provided through the city. SSA funded projects typically include, but are not limited to: public way maintenance and beautification; district marketing and advertising; business retention/attraction, special events and promotional activities; auto and bike transit; security; facade improvements; and other commercial and economic development initiatives.

Special Service Area #3 (SSA #3) was established by the City of Chicago and is administered by GSDC (the Service Provider). It represents a specified geographic area within the city from which a portion of the property tax collections are allocated thereto. The defined territory in whole or in part is encompassed by the following: on West 63rd Street from South Bell Avenue to South Cicero Avenue; on South Kedzie Avenue from West 62nd Street to West 64th Street; on South Pulaski Road from West 56th Place to West 71st Street; on South Western Avenue from West 61st Street to West 64th Street; and on the east side of South Cicero Avenue from the alley north of West 63rd Street to West 71st Street.

The city has contracted with GSDC to manage SSA #3 activities. GSDC provides and/or coordinates the provision of SSA services, which may include hiring staff and/or subcontractors as needed to fulfill the SSA work plan. GSDC also generates program reports to the City's Departments of Planning and Development, SSA Commission, aldermen, and the community via such means as meeting minutes, reports and/or newsletters. GSDC may also assist with the recruitment of SSA Commissioners.

Note 2. Significant Accounting Policies

Government-Wide and Fund Financial Statements

The financial statements of the SSA have been prepared in conformity with 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 establishing governmental accounting and financial reporting principles is GASB (the Governmental Accounting Standards Board).

Government-Wide financial statements (statement 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 a 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 timing of related cash flows. Property taxes are recognized as revenues in the year in which they are levied.

Special Service Area #3
Notes to Financial Statements - (Continued)
December 31, 2022 and 2021

Note 2. Significant Accounting Policies - (Continued)

Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

The governmental fund financial statements are prepared on a 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 (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.

Cash and Cash Equivalents

All highly liquid investments with an initial maturity of three months or less, excluding amounts contained in investment portfolios, are considered to be cash equivalents.

Any certificates of deposit purchased with a maturity of three to twelve months are considered to be cash equivalents and are recorded at cost. These investments should be reflected at their market values, along with any unrealized gain or loss. However, the effect of using the cost method of valuation is not materially different from the results that would have been obtained under the market valuation method.

Property and Equipment

Property and equipment is recorded at historical cost. SSA #3 capitalizes fixed asset additions over \$5,000. Depreciation is computed using the straight-line basis for all property and equipment. The vehicle recorded as a fixed asset at December 31, 2022 and 2021, has an estimated useful life of 5 years.

Maintenance and repairs, which neither materially add to the value of property nor appreciably prolong the useful life, are charged to expense as incurred. Gains or losses on dispositions of property and equipment are included as other revenues/(expense) in the statement of activities and governmental funds, revenues, expenditures and changes in fund balance.

Concentrations of Credit Risk

Financial instruments, which potentially subject the entity to concentrations of credit risk, consist principally of cash. SSA #3 maintains its cash in various bank deposit accounts, which, at times, may exceed federally insured limits. SSA #3 has not experienced any losses in such accounts.

Fund Equity/Net Position

Governmental fund equity is classified as fund balance. Fund Balance is further classified as non-spendable, restricted, committed, assigned, or unassigned. Non-spendable 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 of Commissioners through approval of resolutions. Assigned fund balances is a limitation imposed by a designee of the SSA Board of Commissioners. Unassigned fund balance is the net resources in excess of what can be properly classified in one of the previously mentioned four categories.

Special Service Area #3
Notes to Financial Statements - (Continued)
December 31, 2022 and 2021

Note 2. Significant Accounting Policies - (Continued)

Income Taxes

SSA #3 is exempt from federal, state, and local income taxation as it is a non-taxpaying entity created by the City of Chicago, established solely for the purpose of the development of the community; SSA #3 receives funding directly from local property tax collections.

Use of Estimates

The preparation of financial statements 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 reporting period. Actual results could differ from those estimates.

Note 3. Concentration of Revenues, Accounts Receivable, and Carryforward

All revenues (except interest on short-term investments and interest bearing cash accounts) are received from the City of Chicago and are to be used for rehabilitating, advertising, promoting, and maintaining the defined area. Future operations could be affected by changes in the economic or other conditions in that geographical area and/or by changes in the availability of city funding.

All property tax receivables are shown net of allowances. The allowance of \$100,000 is estimated to be approximately 8% and 7% of outstanding property taxes at December 31, 2022 and 2021, respectively.

There was a surplus (revenues over expenses) of \$113,902 and \$339,549 for the years ended December 31, 2022 and 2021, respectively, to be used as carryforwards by the City for the 2024 and 2023 budgets.

Note 4. Property Taxes

Property taxes become an enforceable lien on real property on January 1st 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 normally due on August 1st, or 30 days from the mailing of the tax bills if issued later than July 1st. The second installment is based on the remaining amount of the levy on file with Cook County. Bills are issued and collected by Cook County, who remits the SSA's share to the City of Chicago, who then remits funds to the SSA.

Note 5. Related Party Transactions

During the normal course of business there are expenses paid on SSA #3's behalf and allocated overhead costs from GSDC to SSA #3. There was \$83,338 and \$82,540 due to GSDC for these types of reimbursable costs at December 31, 2022 and 2021, respectively.

Certain expenses incurred by SSA #3 are paid to GSDC as reimbursement of overhead and SSA expenses paid on the SSA's behalf by GSDC. For the years ended December 31, 2022 and 2021, the total of such expenses, including payroll, was \$314,379 and \$264,224, respectively.

Special Service Area #3
Notes to Financial Statements - (Continued)
December 31, 2022 and 2021

Note 6. Litigation, Risk, and Contingencies

In the normal course of business, GSDC (including SSA #3) may be named as a defendant in various legal actions. As of April 30, 2023, GSDC is not aware of any pending litigation or other loss contingencies that would require recognition or disclosure of any contingent liabilities in the SSA #3 financial statements at December 31, 2022 and 2021.

Note 7. Reallocation of Budget Line Items

The Board of Commissioners formally voted on and approved all reallocation of expenses from those originally submitted in the budget provided to the City of Chicago. Under Section 5.02, Budget for Services of the Service Provider Agreement, the SSA #3 has the right to transfer funds between line items or make budget revisions that do not affect the total budget.

Note 8. Subsequent Events

GSDC management has evaluated the December 31, 2022 and 2021, financial statements of SSA #3 for subsequent events affecting SSA #3 through April 30, 2023, the date the financial statements were available to be issued. GSDC is not aware of any additional subsequent events that would require recognition or disclosure in the accompanying financial statements.

SUPPLEMENTAL INFORMATION

**Special Service Area #3
Summary Schedule of Findings
December 31, 2022 and 2021**

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, we have read the requirements contained in the Agreement for SSA #3 between the City of Chicago and Greater Southwest Development Corporation. Many contractual items were included in the agreement which dealt with non-accounting and non-financial matters, of which, we had no knowledge.

Based on our understanding of the agreement and the facts surrounding the performance under the agreement, the findings to report are as follows:

2022 – None Noted

2021 – None Noted

State of Illinois

Department of Financial and Professional Regulation Division of Professional Regulation

LICENSE NO.
066.004611
065.035219

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:
11/30/2024

PUBLIC ACCOUNTANT FIRM LICENSE



EVOLVE FINANCIAL 1
4256 N ARLINGTON HEIGHTS RD STE 104
ARLINGTON HEIGHTS, IL 60004-1399



MARIO TRETO, JR.
SECRETARY



CECILIA ABUNDIS
DIRECTOR

The official status of this license can be verified at www.idfpr.com

16386148

Exhibit A Budget

Special Service Area # 3

SSA Name:	63rd St.
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2022 BUDGET SUMMARY

Budget and Services Period: January 1, 2022 through December 31, 2022

CATEGORY (Funded Categories Comprise Scope of Services)	2021 Levy		Carryover Funds	TIF Rebate Fund #	Estimated Late Collections and Interest	Total All Sources
	Collectable Levy	Estimated Loss Collection				
1.00 Customer Attraction	\$193,000	\$0	\$98,500	\$2,000	\$0	\$293,500
2.00 Public Way Aesthetics	\$294,277	\$0	\$97,456	\$2,000	\$0	\$393,733
3.00 Sustainability and Public Places	\$0	\$0	\$0	\$100	\$0	\$100
4.00 Economic/ Business Development	\$53,100	\$0	\$35,000	\$2,900	\$0	\$91,000
5.00 Public Health and Safety Programs	\$136,000	\$89,263	\$82,800	\$0	\$89,263	\$397,326
6.00 SSA Management	\$133,888	\$0	\$0	\$338	\$0	\$134,226
7.00 Personnel	\$125,598	\$0		\$0	\$0	\$125,598
Sub-total	\$935,863	\$89,263				
GRAND TOTALS	Levy Total	\$1,025,126	\$313,756	\$7,338	\$89,263	\$1,435,483

LEVY ANALYSIS

Estimated 2021 EAV:	\$108,750,818
Authorized Tax Rate Cap:	1.250%
Maximum Potential Levy limited by Rate Cap:	\$1,359,385
Requested 2021 Levy Amount:	\$1,025,126
Estimated Tax Rate to Generate 2020 Levy:	0.9426%

LEVY CHANGE FROM PREVIOUS YEAR

2020 Levy Total (in 2021 budget)	\$1,069,381
2021 Levy Total (in 2022 budget)	\$1,025,126
Percentage Change	-4.14%
Community meeting required if levy amount increases greater than 5% from previous levy.	

CARRYOVER CALCULATION

2021 Budget Total	\$1,255,025
Carryover request for 2022	\$313,756
Percentage	25.000%
Must be less than 25%	