

# 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: Lincoln Avenue SSA 35- 2015

SSA Provider Name: Lincoln Park Chamber of Commerce

Submission Date: May 1, 2023

| Starting PDF Page Number            | Audit Report Package Components                                                                                               |
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| p. 16                               | 2. Statement of Net Position and Governmental Fund Balance Sheet – Prior Year                                                 |
| p. 17                               | 3. Statement of Activities and Governmental Fund Revenues, Expenditures and Changes in Fund Balance – Current Year            |
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| N/A                                 | Corrective Action Plan – Current and Prior Year, if applicable (if findings)*                                                 |
| p. 39                               | Audit Firm CPA License                                                                                                        |
| p. 40                               | 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 | <b>SSA Detailed SSA Commission Approved Budget</b>                                                                            |
|                                     | Note: SSA Service Provider must submit detailed budget corresponding to Summary page, noted above, with audit report package. |

\*required if findings exist

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

**YEARS ENDED DECEMBER 31, 2022 AND 2021**

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

**YEARS ENDED DECEMBER 31, 2022 AND 2021**

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

**YEARS ENDED DECEMBER 31, 2022 AND 2021**

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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

### **Opinion**

We have audited the accompanying combining and combined financial statements of Lincoln Park Chamber of Commerce, Inc. (LPCC) (a nonprofit organization), 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, 2022 and 2021, and the related combining statements of activities and changes in net assets, cash flows, functional expenses, statement of net position and governmental funds balance sheet (SSA #23 and SSA #35), and statement of activities and governmental funds, revenues, expenditures and changes in fund balance (SSA #23 and SSA #35) for the years then ended and the related notes to the combining and combined financial statements.

In our opinion, the combining and combined financial statements referred to above present fairly, in all material respects, the financial position of Lincoln Park Chamber of Commerce, Inc., Special Service Area #23 and Special Service Area #35 as of December 31 2022 and 2021, and the combining statements of activities and changes in net assets, cash flows, functional expenses, statement of net position and governmental funds balance sheet (SSA #23 and SSA #35), and statement of activities and governmental funds, revenues, expenditures and changes in fund balance (SSA #23 and SSA #35) 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 Lincoln Park Chamber of Commerce, Inc., Special Service Area #23 and Special Service Area #35 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 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, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the combining and combined financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the combining and combined financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Lincoln Park Chamber of Commerce, Inc.'s, Special Service Area #23's and Special Service Area #35's abilities 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 Audit of the Combining and Combined Financial Statements**

Our objectives are to obtain reasonable assurance about whether the combining and combined 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, including omissions, 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 combining and combined 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 combining and combined 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 Lincoln Park Chamber of Commerce, Inc.'s, Special Service Area #23's and Special Service Area #35'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 combining and combined financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Lincoln Park Chamber of Commerce, Inc.'s, Special Service Area #23's and Special Service Area #35's abilities 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 audit.

## **Other Matters**

### **Required Supplementary Information**

Management has omitted 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 of SSA #23 and SSA #35. 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 historic context. Our opinion on the basic financial statements is not affected by the missing information.

In connection with our audit, nothing came to our attention and 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 audits were 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 Required Supplementary Information 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 25 through 34 is presented for the purpose 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 25 through 28 and 30 through 33, 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.

*Ripple Tax & Financial Services, Inc.*

Chicago, Illinois

April 24, 2023

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

**COMBINING AND COMBINED STATEMENT OF FINANCIAL POSITION**

| December 31,                                                                                                                                                                            | 2022         |            |            |              | 2021         |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|------------|------------|--------------|--------------|
|                                                                                                                                                                                         | LPCC         | SSA #23    | SSA #35    | Total        | Total        |
| <b>ASSETS</b>                                                                                                                                                                           |              |            |            |              |              |
| Current assets:                                                                                                                                                                         |              |            |            |              |              |
| Cash and cash equivalents                                                                                                                                                               | \$ 332,092   | \$ 237,542 | \$ 195,286 | \$ 764,920   | \$ 545,631   |
| Investments                                                                                                                                                                             | 105,006      |            |            | 105,006      | 120,726      |
| Accounts receivable                                                                                                                                                                     | 12,355       |            |            | 12,355       | 850          |
| Grants receivable                                                                                                                                                                       | 51,900       |            |            | 51,900       | 122,088      |
| Property tax receivable, net of allowance for uncollectible taxes for SSA #23<br>of \$10,400 at December 31, 2022 and 2021, and for SSA #35 of \$9,000<br>at December 31, 2022 and 2021 |              | 581,082    | 468,526    | 1,049,608    | 891,738      |
| Prepaid expenses                                                                                                                                                                        | 1,205        |            |            | 1,205        | 1,562        |
| Total current assets                                                                                                                                                                    | 502,558      | 818,624    | 663,812    | 1,984,994    | 1,682,595    |
| Property and equipment:                                                                                                                                                                 |              |            |            |              |              |
| Furniture                                                                                                                                                                               | 43,360       |            |            | 43,360       | 43,360       |
| Leasehold improvements                                                                                                                                                                  | 57,107       |            |            | 57,107       | 57,107       |
| Office equipment                                                                                                                                                                        | 63,734       |            |            | 63,734       | 61,209       |
|                                                                                                                                                                                         | 164,201      |            |            | 164,201      | 161,676      |
| Less accumulated depreciation                                                                                                                                                           | (98,246)     |            |            | (98,246)     | (86,825)     |
| Property and equipment, net                                                                                                                                                             | 65,955       |            |            | 65,955       | 74,851       |
| Other assets:                                                                                                                                                                           |              |            |            |              |              |
| Security deposit                                                                                                                                                                        | 3,750        |            |            | 3,750        | 3,750        |
| Operating lease right-of-use assets, net of accumulated amortization<br>of \$166,112 for the year ended December 31, 2022                                                               | 505,639      |            |            | 505,639      |              |
| Total other assets                                                                                                                                                                      | 509,389      |            |            | 509,389      | 3,750        |
| Total assets                                                                                                                                                                            | \$ 1,077,902 | \$ 818,624 | \$ 663,812 | \$ 2,560,338 | \$ 1,761,196 |

*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,                                        | 2022                |                   |                   |                     | 2021                |
|-----------------------------------------------------|---------------------|-------------------|-------------------|---------------------|---------------------|
|                                                     | LPCC                | SSA #23           | SSA #35           | Total               | Total               |
| <b>LIABILITIES AND NET ASSETS</b>                   |                     |                   |                   |                     |                     |
| Current liabilities:                                |                     |                   |                   |                     |                     |
| Credit card payable                                 | \$ 6,168            |                   |                   | \$ 6,168            | \$ 4,685            |
| Deferred revenue                                    | 85,392              |                   |                   | 85,392              | 66,934              |
| Operating lease liabilities, current                | 41,738              |                   |                   | 41,738              |                     |
| <b>Total current liabilities</b>                    | <b>133,298</b>      |                   |                   | <b>133,298</b>      | 71,619              |
| Long-term liabilities:                              |                     |                   |                   |                     |                     |
| Operating lease liabilities, net of current portion | 519,608             |                   |                   | 519,608             |                     |
| <b>Total liabilities</b>                            | <b>652,906</b>      |                   |                   | <b>652,906</b>      | 71,619              |
| Net assets:                                         |                     |                   |                   |                     |                     |
| Without donor restrictions:                         |                     |                   |                   |                     |                     |
| Undesignated                                        | 424,996             | \$ 818,624        | \$ 663,812        | 1,907,432           | 1,689,577           |
| <b>Total liabilities and net assets</b>             | <b>\$ 1,077,902</b> | <b>\$ 818,624</b> | <b>\$ 663,812</b> | <b>\$ 2,560,338</b> | <b>\$ 1,761,196</b> |

*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,                               | 2022              |                   |                   |                  |                     | 2021                |
|--------------------------------------------------------|-------------------|-------------------|-------------------|------------------|---------------------|---------------------|
|                                                        | LPCC              | SSA #23           | SSA #35           | Elimination      | Total               | Total               |
| <b>Revenues:</b>                                       |                   |                   |                   |                  |                     |                     |
| Membership dues and sponsorships                       | \$ 200,543        |                   |                   |                  | \$ 200,543          | \$ 161,907          |
| Banner income                                          | 26,300            |                   |                   |                  | 26,300              | 22,175              |
| Events income                                          | 102,653           |                   |                   |                  | 102,653             | 34,841              |
| Government grant                                       | 94,500            |                   |                   |                  | 94,500              | 244,753             |
| Administrative income                                  | 259,888           |                   |                   | (259,888)        |                     |                     |
| Advertising income                                     | 16,557            |                   |                   |                  | 16,557              | 12,475              |
| Other income                                           | 922               |                   |                   |                  | 922                 | 1,300               |
| Net interest and dividends                             | 3,317             |                   |                   |                  | 3,317               | 2,704               |
| Net realized and unrealized gain (loss) on investments | (18,251)          |                   |                   |                  | (18,251)            | (3,192)             |
| Cook county collection SSA #23                         |                   | \$ 489,877        |                   |                  | 489,877             | 475,424             |
| Cook county collection SSA #35                         |                   |                   | \$ 438,621        |                  | 438,621             | 431,805             |
| <b>Total revenues</b>                                  | <b>686,429</b>    | <b>489,877</b>    | <b>438,621</b>    | <b>(259,888)</b> | <b>1,355,039</b>    | <b>1,384,192</b>    |
| <b>Expenses:</b>                                       |                   |                   |                   |                  |                     |                     |
| <b>Functional expenses:</b>                            |                   |                   |                   |                  |                     |                     |
| Government and community relations                     | 170,354           |                   |                   |                  | 170,354             | 146,195             |
| Marketing                                              | 110,587           |                   |                   |                  | 110,587             | 132,975             |
| Member services                                        | 353,910           |                   |                   |                  | 353,910             | 279,313             |
| SSA #23 expenses                                       |                   | 362,882           |                   | (143,069)        | 219,813             | 350,196             |
| SSA #35 expenses                                       |                   |                   | 332,271           | (116,819)        | 215,452             | 230,346             |
| <b>Total functional expenses</b>                       | <b>634,851</b>    | <b>362,882</b>    | <b>332,271</b>    | <b>(259,888)</b> | <b>1,070,116</b>    | <b>1,139,025</b>    |
| General and administrative expenses                    | 67,068            |                   |                   |                  | 67,068              | 57,048              |
| <b>Total expenses</b>                                  | <b>701,919</b>    | <b>362,882</b>    | <b>332,271</b>    | <b>(259,888)</b> | <b>1,137,184</b>    | <b>1,196,073</b>    |
| Increase (decrease) in net assets                      | (15,490)          | 126,995           | 106,350           |                  | 217,855             | 188,119             |
| Net assets, beginning of year                          | 440,486           | 691,629           | 557,462           |                  | 1,689,577           | 1,501,458           |
| <b>Net assets, end of year</b>                         | <b>\$ 424,996</b> | <b>\$ 818,624</b> | <b>\$ 663,812</b> |                  | <b>\$ 1,907,432</b> | <b>\$ 1,689,577</b> |

*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,                                                              | 2022        |            |            |            | 2021       |
|---------------------------------------------------------------------------------------|-------------|------------|------------|------------|------------|
|                                                                                       | LPCC        | SSA #23    | SSA #35    | Total      | Total      |
| Operating activities:                                                                 |             |            |            |            |            |
| Increase (decrease) in net assets                                                     | \$ (15,490) | \$ 126,995 | \$ 106,350 | \$ 217,855 | \$ 188,119 |
| Adjustments to reconcile above to cash provided by<br>(used in) operating activities: |             |            |            |            |            |
| Depreciation                                                                          | 11,421      |            |            | 11,421     | 12,600     |
| Gain on extinguishment of PPP loan                                                    |             |            |            |            | (80,065)   |
| Net realized and unrealized (gain) loss on investments                                | 18,251      |            |            | 18,251     | 3,192      |
| (Increase) decrease in operating assets:                                              |             |            |            |            |            |
| Accounts receivable, net                                                              | (11,505)    | (102,413)  | (55,457)   | (169,375)  | (11,798)   |
| Grants receivable                                                                     | 70,188      |            |            | 70,188     | (113,117)  |
| Prepaid expenses                                                                      | 357         |            |            | 357        | (831)      |
| Operating lease right-of-use asset                                                    | (505,639)   |            |            | (505,639)  |            |
| Increase (decrease) in operating liabilities:                                         |             |            |            |            |            |
| Credit card payable                                                                   | 1,483       |            |            | 1,483      | 4,685      |
| Deferred revenue                                                                      | 18,458      |            |            | 18,458     | 14,232     |
| Operating lease liability                                                             | 561,346     |            |            | 561,346    |            |
| Cash provided by operating activities                                                 | 148,870     | 24,582     | 50,893     | 224,345    | 17,017     |
| Investing activities:                                                                 |             |            |            |            |            |
| Purchases of property and equipment                                                   | (2,525)     |            |            | (2,525)    |            |
| Purchases of investments                                                              | (23,256)    |            |            | (23,256)   | (21,461)   |
| Proceeds from sales of investments                                                    | 20,725      |            |            | 20,725     | 19,703     |
| Cash used in investing activities                                                     | (5,056)     |            |            | (5,056)    | (1,758)    |
| Financing activities:                                                                 |             |            |            |            |            |
| Proceeds from PPP loan                                                                |             |            |            |            | 80,065     |
| Cash provided by investing activities                                                 |             |            |            |            | 80,065     |
| Increase in cash and cash equivalents                                                 | 143,814     | 24,582     | 50,893     | 219,289    | 95,324     |
| Cash and cash equivalents, beginning of year                                          | 188,278     | 212,960    | 144,393    | 545,631    | 450,307    |
| Cash and cash equivalents, end of year                                                | \$ 332,092  | \$ 237,542 | \$ 195,286 | \$ 764,920 | \$ 545,631 |

*See notes to combining and combined financial statements.*

**LINCOLN PARK CHAMBER OF COMMERCE, INC.**

**STATEMENT OF FUNCTIONAL EXPENSES**

| Years ended December 31,              | 2022                                        |                   |                    |                              |                               | 2021              |                   |
|---------------------------------------|---------------------------------------------|-------------------|--------------------|------------------------------|-------------------------------|-------------------|-------------------|
|                                       | Government<br>and<br>community<br>relations | Marketing         | Member<br>services | Total<br>program<br>expenses | General and<br>administrative | Total<br>expenses | Total<br>expenses |
| Advertising                           |                                             | \$ 23,624         |                    | \$ 23,624                    |                               | \$ 23,624         | \$ 55,755         |
| Banner expenses                       |                                             | 9,870             |                    | 9,870                        |                               | 9,870             | 8,462             |
| Depreciation                          | \$ 2,863                                    | 1,133             | \$ 6,292           | 10,288                       | \$ 1,133                      | 11,421            | 12,600            |
| Insurance                             | 3,536                                       | 1,179             | 5,893              | 10,608                       | 1,177                         | 11,785            | 8,750             |
| Member services                       |                                             |                   | 40,248             | 40,248                       |                               | 40,248            | 10,550            |
| Miscellaneous                         |                                             |                   |                    |                              | 9,934                         | 9,934             | 7,936             |
| Occupancy                             | 31,283                                      | 10,428            | 52,139             | 93,850                       | 10,428                        | 104,278           | 42,965            |
| Office expenses and postage:          |                                             |                   |                    |                              |                               |                   |                   |
| Credit card fees                      | 2,393                                       | 798               | 3,988              | 7,179                        | 797                           | 7,976             | 5,033             |
| Other - office expense and<br>postage |                                             | 6,709             | 26,834             | 33,543                       |                               | 33,543            | 27,432            |
| Outside services                      | 2,602                                       | 14,287            | 5,721              | 22,610                       | 1,040                         | 23,650            | 25,277            |
| Payroll and staff expenses            | 127,677                                     | 42,559            | 212,795            | 383,031                      | 42,559                        | 425,590           | 410,771           |
| <b>Total functional expenses</b>      | <b>\$ 170,354</b>                           | <b>\$ 110,587</b> | <b>\$ 353,910</b>  | <b>\$ 634,851</b>            | <b>\$ 67,068</b>              | <b>\$ 701,919</b> | <b>\$ 615,531</b> |

*See notes to combining and combined financial statements.*

**SPECIAL SERVICE AREA #23**

**STATEMENT OF NET POSITION AND GOVERNMENTAL FUNDS BALANCE SHEET**

| December 31,                                                                                                                                                                                   | 2022               |                  |                           | 2021               |                  |                           |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|------------------|---------------------------|--------------------|------------------|---------------------------|
|                                                                                                                                                                                                | Governmental funds | Adjustments      | Statement of net position | Governmental funds | Adjustments      | Statement of net position |
| <b>ASSETS</b>                                                                                                                                                                                  |                    |                  |                           |                    |                  |                           |
| Cash and cash equivalents                                                                                                                                                                      | \$ 237,542         |                  | \$ 237,542                | \$ 212,960         |                  | \$ 212,960                |
| Property tax receivable, net of allowance for uncollectible taxes of \$10,400 as of December 31, 2022 and 2021                                                                                 | 581,082            |                  | 581,082                   | 478,669            |                  | 478,669                   |
| <b>Total assets</b>                                                                                                                                                                            | <b>\$ 818,624</b>  |                  | <b>\$ 818,624</b>         | <b>\$ 691,629</b>  |                  | <b>\$ 691,629</b>         |
| <b>DEFERRED INFLOWS</b>                                                                                                                                                                        |                    |                  |                           |                    |                  |                           |
| Deferred property tax revenue                                                                                                                                                                  | \$ 481,265         | \$ (481,265)     |                           | \$ 395,697         | \$ (395,697)     |                           |
| <b>FUND BALANCES/NET POSITION</b>                                                                                                                                                              |                    |                  |                           |                    |                  |                           |
| Committed:                                                                                                                                                                                     |                    |                  |                           |                    |                  |                           |
| Snow removal                                                                                                                                                                                   | 14,427             | (14,427)         |                           | 13,805             | (13,805)         |                           |
| Unassigned                                                                                                                                                                                     | 322,932            | (322,932)        |                           | 282,127            | (282,127)        |                           |
| <b>Total fund balance</b>                                                                                                                                                                      | <b>337,359</b>     | <b>(337,359)</b> |                           | <b>295,932</b>     | <b>(295,932)</b> |                           |
| <b>Total liabilities, deferred inflows and fund balance</b>                                                                                                                                    | <b>\$ 818,624</b>  |                  |                           | <b>\$ 691,629</b>  |                  |                           |
| Net position:                                                                                                                                                                                  |                    |                  |                           |                    |                  |                           |
| Unrestricted                                                                                                                                                                                   |                    | \$ (818,624)     | \$ 818,624                |                    | \$ (691,629)     | \$ 691,629                |
| Amounts reported for governmental activities in the statement of net position are different because:                                                                                           |                    |                  |                           |                    |                  |                           |
| Total fund balance - governmental funds                                                                                                                                                        |                    |                  | \$ 337,359                |                    |                  | \$ 295,932                |
| Property tax revenue is recognized in the period for which levied rather than when "available".<br>A portion of the property tax is deferred as it is not available in the governmental funds. |                    |                  | 481,265                   |                    |                  | 395,697                   |
| <b>Total net position - governmental activities</b>                                                                                                                                            |                    |                  | <b>\$ 818,624</b>         |                    |                  | <b>\$ 691,629</b>         |

*See notes to combining and combined financial statements.*

**SPECIAL SERVICE AREA #23**

**STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUNDS, REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCE**

| Years ended December 31,                                                                                            | 2022               |               |                         | 2021               |                 |                         |
|---------------------------------------------------------------------------------------------------------------------|--------------------|---------------|-------------------------|--------------------|-----------------|-------------------------|
|                                                                                                                     | Governmental funds | Adjustments   | Statement of activities | Governmental funds | Adjustments     | Statement of activities |
| Revenues:                                                                                                           |                    |               |                         |                    |                 |                         |
| Property taxes                                                                                                      | \$ 404,164         | \$ 85,568     | \$ 489,732              | \$ 498,441         | \$ (23,036)     | \$ 475,405              |
| Interest                                                                                                            | 145                |               | 145                     | 19                 |                 | 19                      |
| <b>Total revenues</b>                                                                                               | <b>404,309</b>     | <b>85,568</b> | <b>489,877</b>          | <b>498,460</b>     | <b>(23,036)</b> | <b>475,424</b>          |
| Expenditures/expenses:                                                                                              |                    |               |                         |                    |                 |                         |
| SSA management                                                                                                      | 28,069             |               | 28,069                  | 27,595             |                 | 27,595                  |
| Customer attraction                                                                                                 | 43,295             |               | 43,295                  | 128,593            |                 | 128,593                 |
| Economic/business development                                                                                       | 3,195              |               | 3,195                   | 42,800             |                 | 42,800                  |
| Personnel                                                                                                           | 115,000            |               | 115,000                 | 112,500            |                 | 112,500                 |
| Public way aesthetics                                                                                               | 169,923            |               | 169,923                 | 155,557            |                 | 155,557                 |
| Safety program                                                                                                      |                    |               |                         |                    |                 |                         |
| Sustainability and public places                                                                                    | 3,400              |               | 3,400                   | 23,246             |                 | 23,246                  |
| <b>Total expenditures/expenses</b>                                                                                  | <b>362,882</b>     |               | <b>362,882</b>          | <b>490,291</b>     |                 | <b>490,291</b>          |
| Excess of revenues over expenditures (expenditures over revenues)                                                   | 41,427             | (41,427)      |                         | 8,169              | (8,169)         |                         |
| Change in net position                                                                                              |                    | 126,995       | 126,995                 |                    | (14,867)        | (14,867)                |
| Fund balance/net position:                                                                                          |                    |               |                         |                    |                 |                         |
| Beginning of year                                                                                                   | 295,932            | 395,697       | 691,629                 | 287,763            | 418,733         | 706,496                 |
| End of year                                                                                                         | \$ 337,359         | \$ 481,265    | \$ 818,624              | \$ 295,932         | \$ 395,697      | \$ 691,629              |
| Amounts reported for governmental activities in the statement of activities are different because:                  |                    |               |                         |                    |                 |                         |
| Net change in fund balance - governmental funds                                                                     |                    |               | \$ 41,427               |                    |                 | \$ 8,169                |
| Property tax revenue is recognized in the year it is levied rather than when it is available for governmental funds |                    |               | 85,568                  |                    |                 | (23,036)                |
| Change in net position                                                                                              |                    |               | \$ 126,995              |                    |                 | \$ (14,867)             |

*See notes to combining and combined financial statements.*

**SPECIAL SERVICE AREA #35**

**STATEMENT OF NET POSITION AND GOVERNMENTAL FUNDS BALANCE SHEET**

| December 31,                                                                                                  | 2022               |                  |                           | 2021               |                  |                           |
|---------------------------------------------------------------------------------------------------------------|--------------------|------------------|---------------------------|--------------------|------------------|---------------------------|
|                                                                                                               | Governmental funds | Adjustments      | Statement of net position | Governmental funds | Adjustments      | Statement of net position |
| <b>ASSETS</b>                                                                                                 |                    |                  |                           |                    |                  |                           |
| Cash and cash equivalents                                                                                     | \$ 195,286         |                  | \$ 195,286                | \$ 144,393         |                  | \$ 144,393                |
| Property tax receivable, net of allowance for uncollectible taxes of \$9,000 as of December 31, 2022 and 2021 | 468,526            |                  | 468,526                   | 413,069            |                  | 413,069                   |
| <b>Total assets</b>                                                                                           | <b>\$ 663,812</b>  |                  | <b>\$ 663,812</b>         | <b>\$ 557,462</b>  |                  | <b>\$ 557,462</b>         |
| <b>LIABILITY</b>                                                                                              |                    |                  |                           |                    |                  |                           |
| Accounts payable                                                                                              |                    |                  |                           |                    |                  |                           |
| <b>DEFERRED INFLOWS</b>                                                                                       |                    |                  |                           |                    |                  |                           |
| Deferred property tax revenue                                                                                 | \$ 425,838         | \$ (425,838)     |                           | \$ 360,497         | \$ (360,497)     |                           |
| <b>FUND BALANCES/NET POSITION</b>                                                                             |                    |                  |                           |                    |                  |                           |
| Committed:                                                                                                    |                    |                  |                           |                    |                  |                           |
| Snow removal                                                                                                  | 33,740             | (33,740)         |                           | 14,000             | (14,000)         |                           |
| Unassigned                                                                                                    | 204,234            | (204,234)        |                           | 182,965            | (182,965)        |                           |
| <b>Total fund balance</b>                                                                                     | <b>237,974</b>     | <b>(237,974)</b> |                           | <b>196,965</b>     | <b>(196,965)</b> |                           |
| <b>Total deferred inflows and fund balance</b>                                                                | <b>\$ 663,812</b>  |                  |                           | <b>\$ 557,462</b>  |                  |                           |
| Net position:                                                                                                 |                    |                  |                           |                    |                  |                           |
| Unrestricted                                                                                                  |                    | \$ (663,812)     | \$ 663,812                |                    | \$ (557,462)     | \$ 557,462                |
| Amounts reported for governmental activities in the statement of net position are different because:          |                    |                  |                           |                    |                  |                           |
| Total fund balance - governmental funds                                                                       |                    |                  | \$ 237,974                |                    |                  | \$ 196,965                |
| 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.                   |                    |                  | 425,838                   |                    |                  | 360,497                   |
| <b>Total net position - governmental activities</b>                                                           |                    |                  | <b>\$ 663,812</b>         |                    |                  | <b>\$ 557,462</b>         |

*See notes to combining and combined financial statements.*

**SPECIAL SERVICE AREA #35**

**STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUNDS, REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCE**

| Years ended December 31,                                                                                            | 2022               |               |                         | 2021               |                |                         |
|---------------------------------------------------------------------------------------------------------------------|--------------------|---------------|-------------------------|--------------------|----------------|-------------------------|
|                                                                                                                     | Governmental funds | Adjustments   | Statement of activities | Governmental funds | Adjustments    | Statement of activities |
| Revenues:                                                                                                           |                    |               |                         |                    |                |                         |
| Property taxes                                                                                                      | \$ 373,280         | \$ 65,341     | \$ 438,621              | \$ 435,449         | \$ (3,644)     | \$ 431,805              |
| <b>Total revenues</b>                                                                                               | <b>373,280</b>     | <b>65,341</b> | <b>438,621</b>          | <b>435,449</b>     | <b>(3,644)</b> | <b>431,805</b>          |
| Expenditures/expenses:                                                                                              |                    |               |                         |                    |                |                         |
| Customer attraction                                                                                                 | 18,963             |               | 18,963                  | 39,018             |                | 39,018                  |
| SSA management                                                                                                      | 28,069             |               | 28,069                  | 27,595             |                | 27,595                  |
| Personnel                                                                                                           | 88,750             |               | 88,750                  | 84,750             |                | 84,750                  |
| Public way aesthetics                                                                                               | 193,222            |               | 193,222                 | 183,809            |                | 183,809                 |
| Economic/business development                                                                                       | 3,195              |               | 3,195                   | 3,000              |                | 3,000                   |
| Safety program                                                                                                      | -                  |               | -                       | -                  |                | -                       |
| Sustainability and public places                                                                                    | 72                 |               | 72                      | 4,519              |                | 4,519                   |
| <b>Total expenditures/expenses</b>                                                                                  | <b>332,271</b>     |               | <b>332,271</b>          | <b>342,691</b>     |                | <b>342,691</b>          |
| Excess of revenues over expenditures (expenditures over revenues)                                                   | 41,009             | (41,009)      |                         | 92,758             | (92,758)       |                         |
| Change in net position                                                                                              |                    | 106,350       | 106,350                 |                    | 89,114         | 89,114                  |
| Fund balance/net position:                                                                                          |                    |               |                         |                    |                |                         |
| Beginning of year                                                                                                   | 196,965            | 360,497       | 557,462                 | 104,207            | 364,141        | 468,348                 |
| End of year                                                                                                         | \$ 237,974         | \$ 425,838    | \$ 663,812              | \$ 196,965         | \$ 360,497     | \$ 557,462              |
| Amounts reported for governmental activities in the statement of activities are different because:                  |                    |               |                         |                    |                |                         |
| Net change in fund balance - governmental funds                                                                     |                    |               | \$ 41,009               |                    |                | \$ 92,758               |
| Property tax revenue is recognized in the year it is levied rather than when it is available for governmental funds |                    |               | 65,341                  |                    |                | (3,644)                 |
| <b>Change in net position</b>                                                                                       |                    |               | <b>\$ 106,350</b>       |                    |                | <b>\$ 89,114</b>        |

*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. SSA #23 and SSA #35 are each governed by their respective Commissions whose members are appointed by the Mayor of Chicago. 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.

SSA #23 and SSA #35 are exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code.

**Basis of accounting:**

The combining and combined financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

**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)**

**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.

**Basis of presentation:**

LPCC's net assets are classified into two classes: net assets without donor restrictions and net assets with donor restrictions according to the existence or absence of donor-imposed restrictions. Net assets without donor restrictions are not subject to donor-imposed restrictions. Net assets with donor restrictions are subject to donor-imposed restrictions that either expire by passage of time, can be fulfilled and removed by actions of LPCC or must be maintained permanently by LPCC. LPCC had no net assets with donor restrictions at December 31, 2022 and 2021.

**Government-wide and fund financial statements – Special Service Areas:**

The financial statements of SSA #23 and SSA #35 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 the modified accrual basis.

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

**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)**

**Measurement focus, basis of accounting and financial statement presentation – SSA's:**

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 related cash flows. Property taxes are recognized as revenues in the year in which 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.

**Cash equivalents:**

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

**Trade accounts receivable:**

Trade accounts receivable are stated at the amount management expects to collect from outstanding balances. Based on management's assessment of the credit history with customers and others having outstanding balances and current relationships with them, it has concluded that realization losses on balances outstanding at year-end will be immaterial.

**Grants receivable:**

Grants receivable is stated at the amount management expects to be collected within one year and are recorded at net realizable value. The Organization regularly monitors collectability of grants receivable, and in the event that circumstances indicate that a receivable may not be fully realizable, an allowance to reduce the receivable to the net realizable value would be recorded. Based on management's assessment of the year-end receivables and current relationships with grantors, management has concluded that realization losses on remaining balances outstanding at year-end will be immaterial. An allowance for uncollectible accounts is considered unnecessary and is not provided.

**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)**

**Property tax receivable:**

All property tax receivables are shown net of allowances. For SSA #23, the allowance is estimated to be approximately 2% of outstanding property tax receivables for each year ended December 31, 2022 and 2021. For SSA #35, the allowance is estimated to be approximately 2% of outstanding property tax receivables for the years ended December 31, 2022 and 2021.

**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.

**Fund equity/net position – Special Service Areas:**

Governmental 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 SSA board. Unassigned fund balance is the net resources 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 statements, 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.

**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)**

**Revenue recognition:**

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

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

Deferred revenue totaled \$85,392 and \$66,934 at December 31, 2022 and 2021, respectively.

**Functional allocation of expenses:**

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries, depreciation, insurance, occupancy, and various administrative expenses which are allocated on the basis of estimates of time and effort.

**Investments:**

Investments are stated at fair value. Realized and unrealized investment gains and losses and other net investment income are reflected in the combining and combined statement of activities and changes in net assets as changes in unrestricted net assets (See Note 5).

**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. Property taxes – Special Service Areas**

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 after 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.

**3. Revenue recognition**

The Organization adopted the requirements of the ASU No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*. This ASU provides comprehensive guidance on the recognition of revenue from customers arising from the transfer of goods and services, guidance on accounting for certain contract costs, and new disclosures.

**Disaggregation and significant judgments:**

Membership agreements provide the Organization's members with membership benefits during a one-year contract term. The usage of such benefits is estimated to be evenly applied throughout the contract term. The Organization recognizes membership dues revenues for financial reporting purposes over time. This method is used because management considers time to be the best available measure of progress on contracts. The Organization also receives advertising revenues, which are recognized at the "point in time" when the services are provided.

**Performance obligations:**

Payment for membership dues is due at the start of the contract term. Billed amounts related to future periods are deferred until the expiration of such periods. The remaining performance obligations represent future periods of existing contract terms and are expected to be recognized as revenue within one year.

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

**NOTES TO COMBINING AND COMBINED FINANCIAL STATEMENTS**  
**(CONTINUED)**

**4. Liquidity and availability**

The following represents the financial assets at December 31, 2022:

| <b>December 31, 2022</b>                                                             | <b>LPCC</b>       | <b>SSA #23</b>    | <b>SSA #35</b>    | <b>Total</b>        |
|--------------------------------------------------------------------------------------|-------------------|-------------------|-------------------|---------------------|
| <b>Financial assets at year-end:</b>                                                 |                   |                   |                   |                     |
| Cash and cash equivalents                                                            | \$ 332,092        | \$ 237,542        | \$ 195,286        | \$ 764,920          |
| Investments                                                                          | 105,006           |                   |                   | 105,006             |
| Accounts receivable                                                                  | 12,355            |                   |                   | 12,355              |
| Grants receivable                                                                    | 51,900            |                   |                   | 51,900              |
| Property tax receivable                                                              |                   | 581,082           | 468,526           | 1,049,608           |
| <b>Total financial assets available to meet general expenditures within one year</b> |                   |                   |                   |                     |
|                                                                                      | <b>\$ 501,353</b> | <b>\$ 818,624</b> | <b>\$ 663,812</b> | <b>\$ 1,983,789</b> |

The following represents the financial assets at December 31, 2021:

| <b>December 31, 2021</b>                                                             | <b>LPCC</b>       | <b>SSA #23</b>    | <b>SSA #35</b>    | <b>Total</b>        |
|--------------------------------------------------------------------------------------|-------------------|-------------------|-------------------|---------------------|
| <b>Financial assets at year-end:</b>                                                 |                   |                   |                   |                     |
| Cash and cash equivalents                                                            | \$ 188,278        | \$ 212,960        | \$ 144,393        | \$ 545,631          |
| Investments                                                                          | 120,726           |                   |                   | 120,726             |
| Accounts receivable                                                                  | 850               |                   |                   | 850                 |
| Grants receivable                                                                    | 122,088           |                   |                   | 122,088             |
| Property tax receivable                                                              |                   | 478,669           | 413,069           | 891,738             |
| <b>Total financial assets available to meet general expenditures within one year</b> |                   |                   |                   |                     |
|                                                                                      | <b>\$ 431,942</b> | <b>\$ 691,629</b> | <b>\$ 557,462</b> | <b>\$ 1,681,033</b> |

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

**NOTES TO COMBINING AND COMBINED FINANCIAL STATEMENTS**  
**(CONTINUED)**

**4. Liquidity and availability (continued)**

LPCC, SSA #23, and SSA #35 manage available cash to meet general expenditures following these principles:

- Meet operating needs and contractual commitments
- Maintain adequate liquid assets
- Maximize investment opportunities
- Maintain sufficient reserves to fund operating spending

The sources of liquidity available are cash, investments, accounts and property tax receivables. Management monitors the bank account and budgeted spending to maintain the reserve.

**5. Investments**

LPCC's investments are stated at fair value based on quoted prices in active markets (all Level 1 measurements) and consist of the following:

| December 31,             | 2022              | 2021              |
|--------------------------|-------------------|-------------------|
| Bond mutual funds        | \$ 96,859         | \$ 105,081        |
| Exchange traded funds    | 8,147             | 15,645            |
| <b>Total investments</b> | <b>\$ 105,006</b> | <b>\$ 120,726</b> |

Dividend income of \$3,564 and \$2,984 for the years ended December 31, 2022 and 2021, respectively, is included in interest and dividend income. Unrealized losses totaling \$17,410 and \$4,092 for the years ended December 31, 2022 and 2021, respectively, is included in realized and unrealized gain (loss) on investments on the combining and combined statement of activities and changes in net assets.

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

**NOTES TO COMBINING AND COMBINED FINANCIAL STATEMENTS**  
**(CONTINUED)**

**6. Related party transactions**

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 \$143,069 and \$140,095 for the years ended December 31, 2022 and 2021, respectively.

The management fees for SSA #35 totaled \$116,819 and \$112,345 for the years ended December 31, 2022 and 2021, respectively.

**7. Lease commitments**

The Organization adopted the guidance of FASB ASU No. 2016-02, *Leases (Topic 842)* as of January 1, 2022. This ASU requires lessees to recognize right-of-use assets and lease obligations for most operating leases as well as finance leases. The Organization utilized the modified retrospective approach, which applied the guidance only to leases that were not complete as of January 1, 2022. There were no changes to previously reported net assets to reflect the effect of the new guidance. LPCC is obligated under an operating lease for its office space located in Chicago, Illinois. The lease expires on September 30, 2028, with one option for a five-year extension.

As of December 31, 2022, the right-of-use (ROU) asset had a balance of \$505,639, as shown in noncurrent assets on the Statement of Financial Position; the lease liability is included in other current liabilities (\$41,738) and other long-term liabilities (\$519,608). The lease asset and liability were calculated utilizing the incremental borrowing rate of 1.63%. There is one five-year option to renew the lease, which was considered when assessing the value of the ROU asset because the Company is reasonably certain that it will exercise its option to renew the lease.

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

**NOTES TO COMBINING AND COMBINED FINANCIAL STATEMENTS**  
**(CONTINUED)**

**7. Lease commitments (continued)**

Maturities of the operating lease liability as of December 31, 2022:

| <u>Year ending December 31:</u> | <u>Amount</u>     |
|---------------------------------|-------------------|
| 2023                            | \$ 41,738         |
| 2024                            | 43,690            |
| 2025                            | 45,706            |
| 2026                            | 47,788            |
| 2027                            | 49,937            |
| Thereafter                      | 332,487           |
| <u>Total</u>                    | <u>\$ 561,346</u> |

Total rent expense for the years ended December 31, 2022 and 2021, was \$104,278 and \$42,965, respectively.

**8. Retirement plan**

LPCC maintains a SIMPLE IRA plan covering all eligible employees. The matching contributions made to the plan were \$9,980 and \$9,847 for the years ended December 31, 2022 and 2021, respectively.

**9. Notes payable**

On January 27, 2021, LPCC was granted a loan from a Chicago area bank in the amount totaling \$80,065, under the Paycheck Protection Program (“PPP”). The PPP, established as part of the Coronavirus Aid, Relief and Economic Security Act (“CARES Act”), provides for loans to qualifying organizations for amounts up to 2.5 times the average monthly payroll expenses of the qualifying organization. Under the terms of the PPP, the loan and accrued interest may be forgiven if used for qualifying expenses as described in the CARES Act, which include payroll, employee benefits, rent and utilities.

The unforgiven portion of the PPP loan is payable over two years at an interest rate of 1%, with a deferral of payments for the first seven months. The loan was forgiven on July 8, 2021.

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

**NOTES TO COMBINING AND COMBINED FINANCIAL STATEMENTS**  
**(CONTINUED)**

**10. Credit risk**

LPCC maintains its cash in bank accounts at an Illinois area bank. Such accounts, at times, may exceed federally-insured limits. The Organization had an uninsured balance of approximately \$105,000 at December 31, 2022. The Organization has not experienced any losses in such accounts. Management believes that the Organization is not exposed to any significant credit risk on cash.

**11. Subsequent events**

Management of LPCC has reviewed and evaluated subsequent events from December 31, 2022, the combining and combined financial statement date, through April 24, 2023, 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.  
SPECIAL SERVICE AREA #23**

(A TAXING DISTRICT AUTHORIZED BY THE CITY OF CHICAGO)

**STATEMENT OF REVENUES AND EXPENDITURES – BUDGET AND ACTUAL**

| Years ended December 31,     | 2022           |                |                 | 2021           |                |              |
|------------------------------|----------------|----------------|-----------------|----------------|----------------|--------------|
|                              | Actual         | Budget         | Variance        | Actual         | Budget         | Variance     |
| Income:                      |                |                |                 |                |                |              |
| Interest                     | \$ 145         |                | \$ 145          | \$ 19          |                | \$ 19        |
| Tax levy income:             |                |                |                 |                |                |              |
| 2015 tax levy                |                |                |                 | (3,508)        |                | (3,508)      |
| 2016 tax levy                | (396)          |                | (396)           | (1,306)        |                | (1,306)      |
| 2017 tax levy                | (1,048)        |                | (1,048)         | (4,657)        |                | (4,657)      |
| 2018 tax levy                | (6,270)        |                | (6,270)         | (1,587)        |                | (1,587)      |
| 2019 tax levy                | (4,551)        |                | (4,551)         | 3,230          |                | 3,230        |
| 2020 tax levy                | 10,327         |                | 10,327          | (5,839)        | \$ 494,095     | (499,934)    |
| 2020 tax levy interest       |                |                |                 | 3              |                | 3            |
| 2021 tax levy                | 4              | \$ 489,069     | (489,065)       | 512,105        |                | 512,105      |
| 2021 tax levy interest       | 1              |                | 1               |                |                |              |
| 2022 tax levy                | 406,097        |                | 406,097         |                |                |              |
| <b>Total tax levy income</b> | <b>404,164</b> | <b>489,069</b> | <b>(84,905)</b> | <b>498,441</b> | <b>494,095</b> | <b>4,346</b> |
| <b>Total income</b>          | <b>404,309</b> | <b>489,069</b> | <b>(84,760)</b> | <b>498,460</b> | <b>494,095</b> | <b>4,365</b> |

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

(A TAXING DISTRICT AUTHORIZED BY THE CITY OF CHICAGO)

**STATEMENT OF REVENUES AND EXPENDITURES – BUDGET AND ACTUAL (CONTINUED)**

| Years ended December 31,                  | 2022          |                |                 | 2021           |                |                |
|-------------------------------------------|---------------|----------------|-----------------|----------------|----------------|----------------|
|                                           | Actual        | Budget         | Variance        | Actual         | Budget         | Variance       |
| Expenses:                                 |               |                |                 |                |                |                |
| SSA management expenses:                  |               |                |                 |                |                |                |
| Annual report                             | 750           | 750            |                 | 750            | 750            |                |
| Audit                                     | 5,500         | 5,500          |                 | 5,500          | 5,500          |                |
| Bookkeeping                               | 1,125         | 1,125          |                 | 1,125          | 1,125          |                |
| Equipment maintenance                     | 1,800         | 1,800          |                 | 1,800          | 1,800          |                |
| IT monitoring services                    | 1,125         | 1,125          |                 | 1,125          | 1,125          |                |
| Liability/property insurance              | 675           | 675            |                 | 675            | 675            |                |
| Meeting expenses                          | 975           | 975            |                 | 975            | 975            |                |
| Office equipment lease and maintenance    | 1,050         | 1,050          |                 | 1,050          | 1,050          |                |
| Office printing                           | 450           | 450            |                 | 450            | 450            |                |
| Office rent                               | 7,950         | 7,950          |                 | 7,800          | 7,800          |                |
| Office supplies                           | 345           | 345            |                 | 345            | 345            |                |
| Office utilities and telephone            | 3,624         | 3,624          |                 | 3,300          | 3,300          |                |
| Postage and delivery                      | 1,125         | 1,125          |                 | 1,125          | 1,125          |                |
| Professional development                  | 1,125         | 1,125          |                 | 1,125          | 1,125          |                |
| Subscriptions/dues                        | 450           | 450            |                 | 450            | 450            |                |
| <b>Total SSA management expenses</b>      | <b>28,069</b> | <b>28,069</b>  |                 | <b>27,595</b>  | <b>27,595</b>  |                |
| Customer attraction expenses:             |               |                |                 |                |                |                |
| Decorative banners                        |               | 32,544         | (32,544)        | 39,000         | 41,750         | (2,750)        |
| Holiday decorations                       | 31,455        | 31,456         | (1)             | 54,360         | 54,400         | (40)           |
| Marketing rebate program                  |               |                |                 | 6,819          | 6,819          |                |
| Print materials                           |               | 2,000          | (2,000)         |                |                |                |
| Public relations and media services       | 7,260         | 25,000         | (17,740)        | 15,750         | 15,750         |                |
| Social media management                   |               | 7,500          | (7,500)         | 420            | 500            | (80)           |
| Special events                            | 3,580         | 40,000         | (36,420)        | 11,300         | 11,300         |                |
| Vandalism Rebate Program                  | 1,000         | 1,000          |                 | 500            | 1,000          | (500)          |
| Website                                   |               |                |                 | 444            | 500            | (56)           |
| <b>Total customer attraction expenses</b> | <b>43,295</b> | <b>139,500</b> | <b>(96,205)</b> | <b>128,593</b> | <b>132,019</b> | <b>(3,426)</b> |

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

(A TAXING DISTRICT AUTHORIZED BY THE CITY OF CHICAGO)

**STATEMENT OF REVENUES AND EXPENDITURES – BUDGET AND ACTUAL (CONTINUED)**

| Years ended December 31,                            | 2022           |                |                 | 2021           |                |                 |
|-----------------------------------------------------|----------------|----------------|-----------------|----------------|----------------|-----------------|
|                                                     | Actual         | Budget         | Variance        | Actual         | Budget         | Variance        |
| Expenses: (continued)                               |                |                |                 |                |                |                 |
| Economic/business development expenses:             |                |                |                 |                |                |                 |
| Economic impact and marketing studies               |                | 10,000         | (10,000)        |                | 500            | (500)           |
| Site marketing                                      | 3,195          | 10,000         | (6,805)         | 3,000          | 5,000          | (2,000)         |
| SSA designation                                     |                |                |                 | 39,800         | 44,000         | (4,200)         |
| Strategic Planning                                  |                | 25,000         | (25,000)        |                | 500            | (500)           |
| <b>Total economic/business development expenses</b> | <b>3,195</b>   | <b>45,000</b>  | <b>(41,805)</b> | <b>42,800</b>  | <b>50,000</b>  | <b>(7,200)</b>  |
| Personnel expenses:                                 |                |                |                 |                |                |                 |
| Personnel cost                                      | 115,000        | 115,000        |                 | 112,500        | 112,500        |                 |
| <b>Total personnel expenses</b>                     | <b>115,000</b> | <b>115,000</b> |                 | <b>112,500</b> | <b>112,500</b> |                 |
| Public way aesthetics expenses:                     |                |                |                 |                |                |                 |
| Acid etching removal                                |                |                |                 |                |                |                 |
| City permits                                        | 5,275          | 5,370          | (95)            | 75             | 500            | (425)           |
| Façade enhancement program - rebates                | 14,891         | 15,000         | (109)           | 10,000         | 23,250         | (13,250)        |
| Health and sanitation rebate program                |                |                |                 | 6,466          | 7,200          | (734)           |
| Landscaping                                         | 57,780         | 84,000         | (26,220)        | 49,247         | 50,000         | (753)           |
| Public art                                          | 2,500          | 44,630         | (42,130)        | 9,348          | 9,400          | (52)            |
| Sidewalk maintenance                                | 38,413         | 39,000         | (587)           | 37,654         | 37,700         | (46)            |
| Sidewalk power washing                              | 14,071         | 16,000         | (1,929)         | 14,050         | 14,181         | (131)           |
| Snow removal                                        | 28,460         | 30,000         | (1,540)         | 27,610         | 28,000         | (390)           |
| Streetscape maintenance and repair                  | 8,533          | 8,534          | (1)             | 1,107          | 1,400          | (293)           |
| Way finding/signage                                 |                | 966            | (966)           |                |                |                 |
| <b>Total public way aesthetics expenses</b>         | <b>169,923</b> | <b>243,500</b> | <b>(73,577)</b> | <b>155,557</b> | <b>171,631</b> | <b>(16,074)</b> |

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

(A TAXING DISTRICT AUTHORIZED BY THE CITY OF CHICAGO)

**STATEMENT OF REVENUES AND EXPENDITURES – BUDGET AND ACTUAL (CONTINUED)**

| Years ended December 31,                        | 2022       |           |            | 2021       |          |            |
|-------------------------------------------------|------------|-----------|------------|------------|----------|------------|
|                                                 | Actual     | Budget    | Variance   | Actual     | Budget   | Variance   |
| Expenses: (continued)                           |            |           |            |            |          |            |
| Safety program expenses:                        |            |           |            |            |          |            |
| Safety improvement programs                     |            | 1,500     | (1,500)    |            | 1,000    | (1,000)    |
| Security patrol services                        |            |           |            |            | 750      | (750)      |
| Total safety program expenses                   |            | 1,500     | (1,500)    |            | 1,750    | (1,750)    |
| Sustainability and public places expenses:      |            |           |            |            |          |            |
| Bicycle transit enhancements                    |            | 13,100    | (13,100)   | 18,365     | 18,700   | (335)      |
| Garbage/recycling program                       | 3,400      | 3,400     |            | 4,881      | 4,900    | (19)       |
| Total sustainability and public places expenses | 3,400      | 16,500    | (13,100)   | 23,246     | 23,600   | (354)      |
| Total expenses                                  | 362,882    | 589,069   | (226,187)  | 490,291    | 519,095  | (28,804)   |
| Increase (decrease) in net assets               | 41,427     | (100,000) | 141,427    | 8,169      | (25,000) | 33,169     |
| Estimated carryover                             |            | 100,000   | (100,000)  |            | 25,000   | (25,000)   |
| Net assets, beginning of year                   | 295,932    |           | 295,932    | 287,763    |          | 287,763    |
| Net assets, end of year                         | \$ 337,359 |           | \$ 337,359 | \$ 295,932 |          | \$ 295,932 |

**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, 2022**

**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 Byline 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 REVENUES AND EXPENDITURES – BUDGET AND ACTUAL**

| Years ended December 31,                  | 2022           |                |                 | 2021           |                |                |
|-------------------------------------------|----------------|----------------|-----------------|----------------|----------------|----------------|
|                                           | Actual         | Budget         | Variance        | Actual         | Budget         | Variance       |
| <b>Income:</b>                            |                |                |                 |                |                |                |
| Late collections                          |                |                |                 |                |                |                |
| <b>Tax levy income:</b>                   |                |                |                 |                |                |                |
| 2015 tax levy                             |                |                |                 | \$ (1,088)     |                | \$ (1,088)     |
| 2016 tax levy                             | \$ (200)       |                | \$ (200)        | (1,656)        |                | (1,656)        |
| 2017 tax levy                             | (828)          |                | (828)           | (2,099)        |                | (2,099)        |
| 2018 tax levy                             | (1,399)        |                | (1,399)         | (942)          |                | (942)          |
| 2019 tax levy                             | (190)          |                | (190)           | (146)          |                | (146)          |
| 2020 tax levy                             | 6,396          |                | 6,396           | 15,660         | \$ 402,045     | (386,385)      |
| 2020 tax levy Interest                    |                |                |                 | 7              |                | 7              |
| 2021 tax levy                             |                | \$ 422,069     | (422,069)       | 425,713        |                | 425,713        |
| 2021 tax levy Interest                    | 4              |                | 4               |                |                |                |
| 2022 tax levy                             | 369,497        |                | 369,497         |                |                |                |
| <b>Total tax levy income</b>              | <b>373,280</b> | <b>422,069</b> | <b>(48,789)</b> | <b>435,449</b> | <b>402,045</b> | <b>33,404</b>  |
| <b>Total income</b>                       | <b>373,280</b> | <b>422,069</b> | <b>(48,789)</b> | <b>435,449</b> | <b>402,045</b> | <b>33,404</b>  |
| <b>Expenses:</b>                          |                |                |                 |                |                |                |
| <b>Customer attraction expenses:</b>      |                |                |                 |                |                |                |
| Decorative banners                        |                | 500            | (500)           | 5,000          | 5,000          |                |
| Holiday decorations                       | 14,820         | 25,000         | (10,180)        | 13,780         | 17,800         | (4,020)        |
| Marketing rebate program                  | 400            | 400            |                 | 8,849          | 8,850          | (1)            |
| Print materials                           |                | 250            | (250)           |                | 100            | (100)          |
| Public relations and media services       |                | 12,500         | (12,500)        |                |                |                |
| Social media management                   |                | 1,000          | (1,000)         |                |                |                |
| Special events                            | 3,243          | 19,600         | (16,357)        | 11,389         | 13,000         | (1,611)        |
| Vandalism rebate                          | 500            | 500            |                 |                |                |                |
| Website                                   |                |                |                 |                | 100            | (100)          |
| <b>Total customer attraction expenses</b> | <b>18,963</b>  | <b>59,750</b>  | <b>(40,787)</b> | <b>39,018</b>  | <b>44,850</b>  | <b>(5,832)</b> |

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

(A TAXING DISTRICT AUTHORIZED BY THE CITY OF CHICAGO)

**STATEMENT OF REVENUES AND EXPENDITURES – BUDGET AND ACTUAL (CONTINUED)**

| Years ended December 31,               | 2022          |               |          | 2021          |               |          |
|----------------------------------------|---------------|---------------|----------|---------------|---------------|----------|
|                                        | Actual        | Budget        | Variance | Actual        | Budget        | Variance |
| Expenses: (continued)                  |               |               |          |               |               |          |
| SSA management expenses:               |               |               |          |               |               |          |
| Annual report                          | 750           | 750           |          | 750           | 750           |          |
| Audit                                  | 5,500         | 5,500         |          | 5,500         | 5,500         |          |
| Bookkeeping                            | 1,125         | 1,125         |          | 1,125         | 1,125         |          |
| Equipment maintenance                  | 1,800         | 1,800         |          | 1,800         | 1,800         |          |
| IT monitoring services                 | 1,125         | 1,125         |          | 1,125         | 1,125         |          |
| Liability/property insurance           | 675           | 675           |          | 675           | 675           |          |
| Meeting expenses                       | 975           | 975           |          | 975           | 975           |          |
| Office equipment lease and maintenance | 1,050         | 1,050         |          | 1,050         | 1,050         |          |
| Office rent                            | 7,950         | 7,950         |          | 7,800         | 7,800         |          |
| Office supplies                        | 345           | 345           |          | 345           | 345           |          |
| Office utilities and telephone         | 3,624         | 3,624         |          | 3,300         | 3,300         |          |
| Postage                                | 1,125         | 1,125         |          | 1,125         | 1,125         |          |
| Printing                               | 450           | 450           |          | 450           | 450           |          |
| Professional development               | 1,125         | 1,125         |          | 1,125         | 1,125         |          |
| Subscriptions/dues                     | 450           | 450           |          | 450           | 450           |          |
| <b>Total SSA management expenses</b>   | <b>28,069</b> | <b>28,069</b> |          | <b>27,595</b> | <b>27,595</b> |          |
| Personnel expenses:                    |               |               |          |               |               |          |
| Personnel cost                         | 88,750        | 88,750        |          | 84,750        | 84,750        |          |
| <b>Total personnel expenses</b>        | <b>88,750</b> | <b>88,750</b> |          | <b>84,750</b> | <b>84,750</b> |          |

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

(A TAXING DISTRICT AUTHORIZED BY THE CITY OF CHICAGO)

**STATEMENT OF REVENUES AND EXPENDITURES – BUDGET AND ACTUAL (CONTINUED)**

| Years ended December 31,                               | 2022           |                |                  | 2021           |                |                  |
|--------------------------------------------------------|----------------|----------------|------------------|----------------|----------------|------------------|
|                                                        | Actual         | Budget         | Variance         | Actual         | Budget         | Variance         |
| Expenses: (continued)                                  |                |                |                  |                |                |                  |
| Public way aesthetics expenses:                        |                |                |                  |                |                |                  |
| City permits                                           | 900            | 2,000          | (1,100)          | 450            | 500            | (50)             |
| Façade enhancement program - rebates                   | 10,000         | 10,000         |                  | 15,000         | 15,000         |                  |
| Health and sanitation rebate program                   | 799            | 800            | (1)              | 7,952          | 8,000          | (48)             |
| Landscaping                                            | 58,850         | 76,500         | (17,650)         | 27,284         | 28,000         | (716)            |
| Public art                                             | 3,500          | 5,000          | (1,500)          | 3,500          | 3,500          |                  |
| Sidewalk maintenance                                   | 39,000         | 39,000         |                  | 37,869         | 38,000         | (131)            |
| Sidewalk power washing                                 | 8,343          | 13,200         | (4,857)          | 8,100          | 8,100          |                  |
| Snow removal                                           | 28,718         | 32,500         | (3,782)          | 28,000         | 28,000         |                  |
| Streetscape elements                                   | 43,112         | 85,000         | (41,888)         | 54,059         | 154,150        | (100,091)        |
| Way finding / signage                                  |                | 1,500          | (1,500)          | 1,595          | 1,600          | (5)              |
| <b>Total public way aesthetics expenses</b>            | <b>193,222</b> | <b>265,500</b> | <b>(72,278)</b>  | <b>183,809</b> | <b>284,850</b> | <b>(101,041)</b> |
| Economic/business development expenses:                |                |                |                  |                |                |                  |
| Economic impact study                                  |                |                |                  |                | 500            | (500)            |
| Master planning                                        |                | 8,500          | (8,500)          |                |                |                  |
| Site marketing                                         | 3,195          | 5,000          | (1,805)          | 3,000          | 3,000          |                  |
| <b>Total economic/business development expenses</b>    | <b>3,195</b>   | <b>13,500</b>  | <b>(10,305)</b>  | <b>3,000</b>   | <b>3,500</b>   | <b>(500)</b>     |
| Safety program expenses:                               |                |                |                  |                |                |                  |
| Safety improvement programs                            |                | 500            | (500)            |                |                |                  |
| <b>Total safety program expenses</b>                   |                | <b>500</b>     | <b>(500)</b>     |                |                |                  |
| Sustainability and public places expenses:             |                |                |                  |                |                |                  |
| Bicycle transit enhancements                           | 72             | 500            | (428)            | 4,519          | 6,500          | (1,981)          |
| Garbage/recycling program                              |                | 500            | (500)            | -              |                |                  |
| <b>Total sustainability and public places expenses</b> | <b>72</b>      | <b>1,000</b>   | <b>(928)</b>     | <b>4,519</b>   | <b>6,500</b>   | <b>(1,981)</b>   |
| <b>Total expenses</b>                                  | <b>332,271</b> | <b>457,069</b> | <b>(124,798)</b> | <b>342,691</b> | <b>452,045</b> | <b>(109,354)</b> |

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

(A TAXING DISTRICT AUTHORIZED BY THE CITY OF CHICAGO)

**STATEMENT OF REVENUES AND EXPENDITURES – BUDGET AND ACTUAL (CONTINUED)**

| Years ended December 31,          | 2022       |          |            | 2021       |          |            |
|-----------------------------------|------------|----------|------------|------------|----------|------------|
|                                   | Actual     | Budget   | Variance   | Actual     | Budget   | Variance   |
| Increase (decrease) in net assets | 41,009     | (35,000) | 76,009     | 92,758     | (50,000) | 142,758    |
| Estimated carryover               |            | 35,000   | (35,000)   |            | 50,000   | (50,000)   |
| Net assets, beginning of year     | 196,965    |          | 196,965    | 104,207    |          | 104,207    |
| Net assets, end of year           | \$ 237,974 |          | \$ 237,974 | \$ 196,965 |          | \$ 196,965 |

**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, 2022**

**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 Old National 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.

# State of Illinois

## Department of Financial and Professional Regulation Division of Professional Regulation

LICENSE NO.  
066.004276  
065.028061

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



RIPPLE TAX & FINANCIAL SERVICES INC  
3025 N WESTERN AVE STE 200  
CHICAGO, IL 60618-8120



MARIO TRETO, JR.  
SECRETARY

CECILIA ABUNDIS  
DIRECTOR

The official status of this license can be verified at [www.idfpr.com](http://www.idfpr.com)

16302815

Cut on Dotted Line

# Exhibit A Budget

## Special Service Area # 35- 2015

|           |                |
|-----------|----------------|
| SSA Name: | Lincoln Avenue |
|-----------|----------------|

### 2022 BUDGET SUMMARY

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

| CATEGORY<br><small>(Funded Categories Comprise<br/>Scope of Services)</small> | 2021 Levy           |                                 | Carryover<br>Funds | TIF Rebate<br>Fund # | Estimated<br>Late<br>Collections<br>and Interest | Total<br>All Sources |
|-------------------------------------------------------------------------------|---------------------|---------------------------------|--------------------|----------------------|--------------------------------------------------|----------------------|
|                                                                               | Collectable<br>Levy | Estimated<br>Loss<br>Collection |                    |                      |                                                  |                      |
| 1.00 Customer Attraction                                                      | \$59,750            | \$0                             | \$0                | \$0                  | \$0                                              | \$59,750             |
| 2.00 Public Way Aesthetics                                                    | \$220,500           | \$10,000                        | \$35,000           | \$0                  | \$0                                              | \$265,500            |
| 3.00 Sustainability and Public Places                                         | \$1,000             | \$0                             | \$0                | \$0                  | \$0                                              | \$1,000              |
| 4.00 Economic/ Business Development                                           | \$13,500            | \$0                             | \$0                | \$0                  | \$0                                              | \$13,500             |
| 5.00 Public Health and Safety Programs                                        | \$500               | \$0                             | \$0                | \$0                  | \$0                                              | \$500                |
| 6.00 SSA Management                                                           | \$28,069            | \$0                             | \$0                | \$0                  | \$0                                              | \$28,069             |
| 7.00 Personnel                                                                | \$88,750            | \$0                             |                    | \$0                  | \$0                                              | \$88,750             |
| <b>Sub-total</b>                                                              | \$412,069           | \$10,000                        |                    |                      |                                                  |                      |
| <b>GRAND TOTALS</b>                                                           | <b>Levy Total</b>   | <b>\$422,069</b>                | <b>\$35,000</b>    | <b>\$0</b>           | <b>\$0</b>                                       | <b>\$457,069</b>     |

#### LEVY ANALYSIS

|                                             |               |
|---------------------------------------------|---------------|
| Estimated 2021 EAV:                         | \$167,145,336 |
| Authorized Tax Rate Cap:                    | 0.400%        |
| Maximum Potential Levy limited by Rate Cap: | \$668,581     |
| Requested 2021 Levy Amount:                 | \$422,069     |
| Estimated Tax Rate to Generate 2020 Levy:   | 0.2525%       |