

**GREATER RAVENSWOOD  
SPECIAL SERVICE AREA #31**

**FINANCIAL STATEMENTS  
December 31, 2012 and 2011**

GREATER RAVENSWOOD  
SPECIAL SERVICE AREA #31

FINANCIAL STATEMENTS  
December 31, 2012 and 2011

INDEX

<u>FINANCIAL STATEMENTS</u>	<u>Page</u>
Independent Auditor's Report	1-2
Statements of Financial Position December 31, 2012 and 2011	3
Statements of Activities - For the Years Ended December 31, 2012 and 2011	4
Statements of Activities - Budget and Actual - For the Years Ended December 31, 2012 and 2011	6
Statements of Cash Flows - For the Years Ended December 31, 2012 and 2011	5
Notes to the Financial Statements - For the Years Ended December 31, 2012 and 2011	7-9
Summary Schedule of Findings For the Year Ended December 31, 2012	10
CPA audit firm's active Illinois license	11

Independent Auditor's Report

To the Commissioners of  
Greater Ravenswood  
Special Service Area #31

We have audited the accompanying financial statements of Greater Ravenswood Special Service Area #31, which comprise the statements of financial position as of December 31, 2012 and 2011, and the related statements of activities, cash flows for the years then ended, and the related notes to the financial statements.

***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

***Auditor's Responsibility***

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

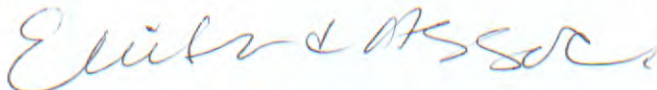
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Greater Ravenswood Special Service Area #31 as of December 31, 2012 and 2011, and its statements of activities, cash flows and summary schedule of audit findings for the years then ended in conformity with accounting principles generally accepted in the United States of America.

The 2012 and 2011 budget amounts, which were arrived at by Greater Ravenswood Special Service Area #31 and are shown in the Statements of Activities Budget and Actual, are presented for comparison purposes only. We have not performed any auditing procedures on the 2012 and 2011 budget amounts, and therefore, express no opinion on them.

A handwritten signature in blue ink, appearing to read "Eilts & Associates".

EILTS & ASSOCIATES, INC.  
Chicago, Illinois  
April 22, 2013

**GREATER RAVENSWOOD  
SPECIAL SERVICE AREA #31**

**STATEMENTS OF FINANCIAL POSITION  
December 31, 2012 and 2011**

ASSETS		<u>2012</u>	<u>2011</u>
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		\$ 257,411	\$ 221,700
Prepaid expenses		9,142	-
Total current assets		<u>266,553</u>	<u>221,700</u>
<b>TOTAL ASSETS</b>		<u><u>\$ 266,553</u></u>	<u><u>\$ 221,700</u></u>
 <b>LIABILITIES AND NET ASSETS</b>			
<b>CURRENT LIABILITIES</b>			
Accounts payable		\$ 21,530	\$ 1,140
Due to City of Chicago		3,296	-
Total current liabilities		<u>24,826</u>	<u>1,140</u>
<b>TOTAL LIABILITIES</b>		24,826	1,140
<b>NET ASSETS</b>			
Unrestricted net assets		<u>241,727</u>	<u>220,560</u>
Total net assets		<u>241,727</u>	<u>220,560</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>		<u><u>\$ 266,553</u></u>	<u><u>\$ 221,700</u></u>

The accompanying notes are an integral part of the financial statements

**GREATER RAVENSWOOD  
SPECIAL SERVICE AREA #31**

**STATEMENTS OF FINANCIAL POSITION  
December 31, 2012 and 2011**

	2012	2011
<b>REVENUE</b>		
Property Tax revenues - current year	\$ 276,845	\$ 347,478
Property Tax refunds - prior years	(4,337)	-
SSA interest income	14	-
Interest income	-	956
Less: Loss Collection	(6,306)	(5,958)
Total revenue	266,216	342,476
 <b>SERVICES</b>		
Advertising & Promotion	3,744	2,858
Public Way Maintenance	95,702	140,359
Public Way Aesthetics	89,421	78,162
Fascade Improvements	1,000	2,281
District Planning	987	2,415
Total Services	190,854	226,075
 <b>ADMINISTRATION</b>		
Personnel	45,960	43,560
Non Personnel:		
SSA Audit	2,790	2,500
Meeting	200	120
Office Rent	3,770	3,433
Office Utilities/Telephone	600	660
Office Supplies	375	375
Office Equipmt Lease/Maint	300	300
Postage	100	90
Printing	100	90
Other	-	182
Total Non Personnel	8,235	7,750
Total Administration	54,195	51,310
Total Expenses	245,049	277,385
 INCREASE IN NET ASSETS	\$ 21,167	\$ 65,091
 BEGINNING OF YEAR - NET ASSETS	220,560	155,469
 END OF YEAR - NET ASSETS	\$ 241,727	\$ 220,560

The accompanying notes are an integral part of the financial statements

**GREATER RAVENSWOOD  
SPECIAL SERVICE AREA #31**

**STATEMENTS OF FINANCIAL POSITION  
December 31, 2012 and 2011**

	2012			2011		
	Budget	Actual	Actual Over/ (Under) Budget	Budget	Actual	Actual Over/ (Under) Budget
<b>REVENUE</b>						
Property Tax revenues - CY	\$ 336,845	\$ 276,845	\$ (60,000)	\$ 368,035	\$ 347,478	\$ (20,557)
Property Tax refunds - PY	-	(4,337)	(4,337)	-	-	-
SSA interest income	-	14	14	-	-	-
Interest income	-	-	-	-	956	956
Less: Loss Collection	(27,000)	(6,306)	20,694	(31,000)	(5,958)	25,042
Total revenue	309,845	266,216	(43,629)	337,035	342,476	5,441
<b>SERVICES</b>						
Advertising & Promotion	9,500	3,744	(5,756)	13,600	2,858	(10,742)
Public Way Maintenance	128,000	95,702	(32,298)	135,000	140,359	5,359
Public Way Aesthetics	102,440	89,421	(13,019)	98,000	78,162	(19,838)
Tenant Retention/Attraction	-	-	-	1,000	-	(1,000)
Façade Improvements	22,000	1,000	(21,000)	22,000	2,281	(19,719)
Parking/Transit/ Accessibility	-	-	-	4,500	-	(4,500)
Safety Programs	-	-	-	1,000	-	(1,000)
District Planning	-	987	987	5,000	2,415	(2,585)
Total Services	261,940	190,854	(71,086)	280,100	226,075	(54,025)
<b>ADMINISTRATION</b>						
Personnel	39,960	45,960	6,000	50,160	43,560	(6,600)
Non-Personnel:						
SSA Audit	2,500	2,790	290	2,500	2,500	-
Meeting	200	200	-	200	120	(80)
Office Rent	3,770	3,770	-	2,600	3,433	833
Office Utilities	600	600	-	600	660	60
Office Supplies	375	375	-	375	375	-
Office Equip Lease/Maint	300	300	-	300	300	-
Postage	100	100	-	100	90	(10)
Printing	100	100	-	100	90	(10)
Other	-	-	-	-	182	182
Total Non Personnel	7,945	8,235	290	6,775	7,750	975
Total Administration	47,905	54,195	6,290	56,935	51,310	(5,625)
Total Expenses	309,845	245,049	(64,796)	337,035	277,385	(59,650)
INCREASE IN NET ASSETS	\$ -	\$ 21,167	\$ 21,167	\$ -	\$ 65,091	\$ 65,091
BEGINNING OF YEAR - NET ASSETS		220,560			155,469	
END OF YEAR - NET ASSETS		\$ 241,727			\$ 220,560	

The accompanying notes are an integral part of the financial statements

GREATER RAVENSWOOD  
SPECIAL SERVICES AREA #31

STATEMENTS OF CASH FLOWS  
For the Years Ended December 31, 2012 and 2011

	2012	2011
Cash Flows from Operating Activities:		
Net income	\$ 21,167	\$ 65,091
Adjustments to reconcile net income to net cash provided by operations:		
(Increase)/Decrease in:		
Prepaid expenses	(9,142)	-
Increase/(Decrease) in:		
Accrued expenses	20,390	1,140
Due to City of Chicago	3,296	-
	35,711	66,231
Net Cash Provided by Operating Activities	35,711	66,231
Net Increase in Cash	\$ 35,711	\$ 66,231
Cash at the beginning of year	221,700	155,469
Cash at the end of year	\$ 257,411	\$ 221,700

The accompanying notes are an integral part of the financial statements



**GREATER RAVENSWOOD SPECIAL SERVICE AREA #31**  
(a taxing district authorized by the City of Chicago)

**NOTES TO FINANCIAL STATEMENTS**  
**For the Years Ended December 31, 2012 and 2011**

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**NOTE 1 – NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES**

Nature of Organization – Greater Ravenswood Special Service Area #31 was created by the City of Chicago to provide additional services to the Ravenswood community. The primary source of funds is from real estate taxes on certain property in the Special Service Area. Greater Ravenswood Special Service Area #31 generates revenue for the sole purpose of improving and enhancing the business districts of the Ravenswood neighborhood. The boundaries of which are generally properties fronting along Ravenswood south of Argyle and north of Belmont, east of Leavitt and west of Dover Street.

Activities and services funded include: cleaning and beautification activities, coordination of advertising and promotional events, attraction and recruitment of new quality businesses to the area, and technical assistance to existing and potential businesses.

Basis of Accounting - The financial statements have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities. Based on the information provided by the Department of Planning and Development, the recognition of revenue by the SSA when received would be considered within generally accepted accounting principles. This allows Special Service Areas to prepare financial statements on the accrual basis of accounting.

Cash and Cash Equivalents - Cash and cash equivalents are held in the name of Greater Ravenswood Special Service Area #31 without physical segregation as to various restricted portions. All earnings on such are allocated to unrestricted revenue. For purposes of the statements of cash flows, the Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

**GREATER RAVENSWOOD SPECIAL SERVICE AREA #31**  
(a taxing district authorized by the City of Chicago)

**NOTES TO FINANCIAL STATEMENTS**  
**For the Years Ended December 31, 2012 and 2011**

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**NOTE 1 – NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES -**  
(Continued)

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

Income Taxes – The Taxing District's sole service provider – Ravenswood Community Council is a not-for-profit organization that is exempt from federal income taxes according to Internal Revenue Code 501 (c) (3).

Subsequent Events – Subsequent events have been evaluated through April 22, 2013, which is the date the financial statements were available to be issued.

**NOTE 2 - REAL ESTATE TAX REVENUE**

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

**NOTE 3 – CONCENTRATIONS OF CREDIT RISK ARISING FROM CASH DEPOSITS  
IN EXCESS OF INSURED LIMITS**

The Organization maintains its cash balances in one financial institution located in Chicago, Illinois. The balances are insured by the Federal Deposit Insurance Corporation up to \$250,000. The Organization's cash balance did not exceed the insurance level at December 31, 2012.

**GREATER RAVENSWOOD SPECIAL SERVICE AREA #31**  
(a taxing district authorized by the City of Chicago)

**NOTES TO FINANCIAL STATEMENTS**  
**For the Years Ended December 31, 2012 and 2011**

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**NOTE 4 – RELATED PARTY TRANSACTIONS/PREPAID EXPENSES**

The taxing district's contractor is Ravenswood Community Council. Ravenswood Community Council is paid a management fee and is also reimbursed for ongoing administration expenses such as rent, utilities, postage and etc. During 2012 and 2011, Greater Ravenswood SSA #31 paid Ravenswood Community Council \$51,150 and \$48,628 respectively for service provided support. As of December 31, 2012, the taxing district prepaid Ravenswood Community Council in the amount of \$9,142.

**NOTE 5 – DUE TO CITY OF CHICAGO**

The balance represents funds that will be withheld from subsequent cash receipts from SSA #31 for reimbursements back to property owners.

**GREATER RAVENSWOOD SPECIAL SERVICE AREA #31**  
(a taxing district authorized by the City of Chicago)

**SUMMARY SCHEDULE OF AUDIT FINDINGS**  
**For the Year Ended December 31, 2012**

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As part of our audit and request by the Special Service Area Annual Audited Financial Statement Guidelines prepared by the City of Chicago Department of Housing and Economic Development, we have read and understand the requirements contained in the Service Provider Agreement. After conducting the audit, we determined that no exceptions were noted

The auditor's report expresses an unqualified opinion on the financial statements of Greater Ravenswood Special Services Area #31. No significant deficiencies or material weaknesses were disclosed during the audit of the financial statements.

**FINDINGS – FINANCIAL STATEMENT AUDIT**

None found

**FINDINGS AND QUESTIONED COSTS**

None found

# State of Illinois

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

LICENSE NO.  
**066.003986**  
**065.029428**

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:  
**11/30/2015**

**PUBLIC ACCOUNTING FIRM  
BUSINESS CORPORATION**

**EILTS & ASSOCIATES INC  
3711 N RAVENSWOOD 105  
CHICAGO, IL 60613**



*Susan J. Gold*

SUSAN J. GOLD  
ACTING SECRETARY

*Jay Stewart*

JAY STEWART  
DIRECTOR

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

**7411418**