

**EDGEWATER CHAMBER OF COMMERCE**  
**SPECIAL SERVICE AREA #26**  
**(a taxing district authorized by the City of Chicago)**  
**FINANCIAL STATEMENTS**  
**Years Ended December 31, 2009 AND 2008**

## **TABLE OF CONTENTS**

Independent Auditors' Report	1
Financial Statements -	
Statement of Financial Position	2
Statement of Activities	3
Statement of Cash Flows	4
Notes to Financial Statements	5 - 6
Summary Schedule of Audit Findings	7

**JAMES L. VOURVOULIAS & ASSOCIATES, LLC**

CERTIFIED PUBLIC ACCOUNTANTS  
6659 N. AVONDALE AVE.  
CHICAGO, IL 60631

773-763-1250  
FAX: 773-763-4282  
e-mail: info@www.jlva.com

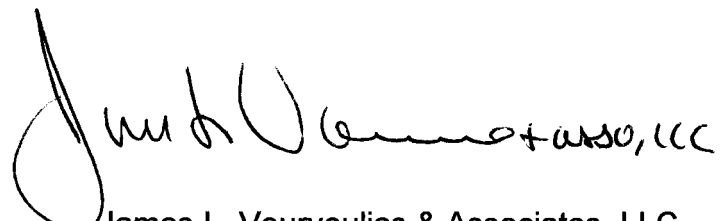
To the Commissioners of  
Edgewater Chamber of Commerce  
Special Service Area # 26  
Chicago, Illinois

**INDEPENDENT AUDITORS' REPORT**

We have audited the accompanying Statement of Financial Position of the Edgewater Chamber of Commerce Special Service Area # 26 (a taxing district authorized by the City of Chicago) as of December 31, 2009 and 2008, and the related Statements of Activities and Cash Flows for the year then ended. These financial statements are the responsibility of the Edgewater Chamber of Commerce Special Service Area # 26's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Edgewater Chamber of Commerce Special Service Area # 26 as of December 31, 2009 and 2008, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

  
James L. Vourvoulias & Associates, LLC

April 19, 2010

**EDGEWATER CHAMBER OF COMMERCE  
SPECIAL SERVICE AREA # 26  
(a taxing district authorized by the City of Chicago)  
STATEMENT OF FINANCIAL POSITION  
As of December 31, 2009 and 2008**

**ASSETS**

	<u>2009</u>	<u>2008</u>
Cash and cash equivalents	\$ 50,194	\$ 39,571
<b>TOTAL ASSETS</b>	<b><u>\$ 50,194</u></b>	<b><u>\$ 39,571</u></b>

**LIABILITIES AND NET ASSETS**

<b>LIABILITIES</b>		
Accounts Payable	\$ 30,863	\$ 18,923
<b>TOTAL LIABILITIES</b>	<u>30,863</u>	<u>18,923</u>
<b>NET ASSETS</b>		
Unrestricted	<u>19,331</u>	<u>20,648</u>
<b>TOTAL NET ASSETS</b>	<u>19,331</u>	<u>20,648</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u>\$ 50,194</u></b>	<b><u>\$ 39,571</u></b>

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

**EDGEWATER CHAMBER OF COMMERCE  
SPECIAL SERVICE AREA # 26  
(a taxing district authorized by the City of Chicago)**

**STATEMENT OF ACTIVITIES  
For the Years Ended December 31, 2009 and 2008**

	2009 Budget	2009 Actual	2009 Variance	2008 Budget	2008 Actual	2008 Variance
<b>REVENUES</b>						
SSA #26 Tax Revenue	\$ 311,206	\$ 290,882	\$ (20,324)	\$ 303,362	\$ 294,564	\$ (8,798)
Interest Income	-	111	111	-	180	180
<b>TOTAL REVENUES</b>	<u>311,206</u>	<u>290,993</u>	<u>(20,213)</u>	<u>303,362</u>	<u>294,744</u>	<u>(8,618)</u>
<b>EXPENSES</b>						
<b>Services:</b>						
Advertising & Promotion	7,268	16,604	9,336	6,290	6,320	30
Public Way Maintenance	109,418	99,762	(9,656)	101,112	122,690	21,578
Public Way Aesthetics	138,568	146,623	8,055	127,590	134,866	7,276
Facade Improvements	500	-	(500)	500	-	(500)
Parking / Transit	250	-	(250)	250	-	(250)
Safety Programs	9,513	7,097	(2,416)	11,860	9,371	(2,489)
District Planning	8,013	-	(8,013)	19,860	-	(19,860)
<b>Total Services Expense</b>	<u>273,530</u>	<u>270,086</u>	<u>(3,444)</u>	<u>267,462</u>	<u>273,247</u>	<u>5,785</u>
<b>Administration:</b>						
Audit / Bookkeeping	3,500	3,500	-	3,500	3,500	-
Meeting Expense	500	-	(500)	500	-	(500)
Office Expense	300	887	587	300	865	565
Office Rent	6,420	6,420	-	6,420	6,420	-
Office Supplies	600	600	-	600	600	-
Office Utilities / Telephone	600	600	-	600	600	-
Postage	300	-	(300)	300	-	(300)
Office Printing	100	-	(100)	100	-	(100)
Service Provider Comp (30%)	10,537	10,217	(320)	8,580	9,904	1,324
<b>Total Administration Expense</b>	<u>22,857</u>	<u>22,224</u>	<u>(633)</u>	<u>20,900</u>	<u>21,889</u>	<u>989</u>
<b>Loss Collection</b>	<u>14,819</u>	<u>-</u>	<u>(14,819)</u>	<u>15,000</u>	<u>-</u>	<u>(15,000)</u>
<b>TOTAL EXPENSES</b>	<u>311,206</u>	<u>292,310</u>	<u>(18,896)</u>	<u>303,362</u>	<u>295,136</u>	<u>(8,226)</u>
<b>DECREASE IN UNRESTRICTED NET ASSETS</b>	<u>-</u>	<u>(1,317)</u>	<u>(1,317)</u>	<u>-</u>	<u>(392)</u>	<u>(392)</u>
<b>UNRESTRICTED NET ASSETS:</b>						
Beginning of Year	-	20,648	20,648	-	21,040	21,040
End of Year	<u>\$ -</u>	<u>\$ 19,331</u>	<u>19,331</u>	<u>\$ -</u>	<u>\$ 20,648</u>	<u>20,648</u>

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

**EDGEWATER CHAMBER OF COMMERCE  
SPECIAL SERVICE AREA # 26  
(a taxing district authorized by the City of Chicago)**

**STATEMENT OF CASH FLOWS  
For the Years Ended December 31, 2009 and 2008**

	<b>2009</b>	<b>2008</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Decrease in net assets	\$ (1,317)	\$ (392)
Adjustments to reconcile increase in net assets to net cash provided by (used by) operating activities -		
Increase (decrease) in accounts payable	11,940	18,923
Net Cash Provided by (Used by) Operating Activities	10,623	18,531
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	10,623	18,531
<b>CASH AND CASH EQUIVALENTS - Beginning of year</b>	39,571	21,040
<b>CASH AND CASH EQUIVALENTS - End of year</b>	\$ 50,194	\$ 39,571
 <b>SUPPLEMENTAL DISCLOSURE</b>		
<b>Cash paid for - Interest</b>	\$ -	\$ -

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

**EDGEWATER CHAMBER OF COMMERCE**  
**SPECIAL SERVICE AREA # 26**  
**(a taxing district authorized by the City of Chicago)**  
**NOTES TO FINANCIAL STATEMENTS**  
**For the Years Ended December 31, 2009 and 2008**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Nature of Organization - Special Service Area # 26 (the Taxing District) is a taxing district authorized by the City of Chicago and located in Chicago, Illinois. It is managed by the Edgewater Chamber of Commerce. The Taxing District is supported through taxes levied on neighborhood businesses which are collected by the City of Chicago. The Taxing District utilizes this tax revenue for the sole purpose of improving and enhancing the Broadway Commercial District. 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 business.

Cash and Cash Equivalents - The Taxing District defines cash and cash equivalents as short term liquid investments such as cash in banks, money markets, and all highly liquid investments with maturities of three months or less when purchased. Cash and cash equivalents are held in the name of Edgewater Chamber of Commerce Special Service Area # 26 without physical segregation as to various restricted portions. All earnings on such funds are allocated to unrestricted revenue. The Taxing District maintains its cash in bank deposit accounts which, at times, may exceed the federally insured limits. The Taxing District has not experienced any losses on these accounts and does not believe it is exposed to any significant concentration of credit risk.

Financial Statement Presentation - The Taxing District is required to present information regarding its financial position and activities according to Article 3.07 of the Agreement for Special Service Area # 26 between the City of Chicago and the Edgewater Chamber of Commerce. As of December 31, 2009 and 2008, the Taxing District had unrestricted net assets of \$19,331 and \$20,648, respectively.

Contributions - Under the Statement of Financial Accounting Standards (SFAS) No. 116, "Accounting for Contributions Received and Contributions Made," contributions received are recorded as unrestricted, temporarily restricted or permanently restricted support depending on the existence and/or nature of any donor restrictions. As of December 31, 2009 and 2008, all of the Taxing District's net assets were classified as unrestricted.

Revenue Recognition - The Taxing District's financial statements are presented on the accrual basis of accounting. Revenues are recognized when the amount can be readily estimated or committed, and the payment is reasonably certain. Expenses are recorded when incurred.

Income Taxes - The Edgewater Chamber of Commerce is the service provider for Special Service Area # 26, which is a not-for-profit organization that is exempt from federal income taxes under Section 501(c)(6) of the Internal Revenue Code and is not classified by the Internal Revenue Service as a private foundation.

**EDGEWATER CHAMBER OF COMMERCE**  
**SPECIAL SERVICE AREA # 26**  
**(a taxing district authorized by the City of Chicago)**  
**NOTES TO FINANCIAL STATEMENTS**  
**For the Years Ended December 31, 2009 and 2008**

**1 . SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

Use of Accounting Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

**2 . REAL ESTATE TAX REVENUE**

The Taxing District's principal source of revenue is from real estate taxes levied on certain property located within 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 funds to the Taxing District. Taxes are levied in one year and paid in two installments the following year by property owners. The Chamber recognizes the revenue in the year in which the funds become available.



**EDGEWATER CHAMBER OF COMMERCE  
SPECIAL SERVICE AREA # 26  
(a taxing district authorized by the City of Chicago)  
SUMMARY SCHEDULE OF AUDIT FINDINGS  
For the Years Ended December 31, 2009 and 2008**

As part of our audit and as required 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 # 26 between the City of Chicago and the Edgewater Chamber of Commerce. After conducting our audit, we have determined that no exceptions were noted.

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