

**BELMONT-CENTRAL PARKING COMMISSION, INC.
SPECIAL SERVICE AREA #2**

**FINANCIAL STATEMENTS
December 31, 2013 and 2012**

**BELMONT-CENTRAL PARKING COMMISSION INC.
SPECIAL SERVICE AREA #2**

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Independent Auditor's Report

To the Commissioners
Belmont-Central Parking Commission Inc.
Special Service Area #2

We have audited the accompanying financial statements of Belmont-Central Parking Commission Inc. - Special Service Area #2, which comprise the statements of financial position as of December 31, 2013 and 2012, 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.

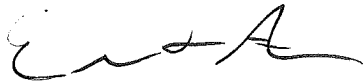
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or 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 Belmont-Central Parking Commission Inc. - Special Service Area #2 as of December 31, 2013, and its statement of activities, cash flows and summary schedule of audit findings for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The 2013 and 2012 budget amounts, which were arrived at by the Belmont-Central Parking Commission Inc. - Special Service Area #2 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 budget amounts and therefore, express no opinion on them.



EILTS & ASSOCIATES, INC.
Chicago, Illinois
April 21, 2014

**BELMONT-CENTRAL PARKING COMMISSION INC.
SPECIAL SERVICE AREA #2**

**STATEMENTS OF FINANCIAL POSITION
December 31, 2013 and 2012**

ASSETS		
	2013	2012
CURRENT ASSETS		
Cash and cash equivalents	\$ 546,253	\$ 560,409
Due (to) from City of Chicago (note 2)	(1,889)	2,981
Total current assets	544,364	563,390
LONG TERM ASSETS		
Property and equipment, net	-	-
Security deposit	1,100	1,100
Total long term assets	1,100	1,100
TOTAL ASSETS	\$ 545,464	\$ 564,490
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 2,682	\$ 2,105
Accrued expenses	4,000	4,035
Total current liabilities	6,682	6,140
TOTAL LIABILITIES	6,682	6,140
NET ASSETS		
Unrestricted net assets	538,782	558,350
Total net assets	538,782	558,350
TOTAL LIABILITIES AND NET ASSETS	\$ 545,464	\$ 564,490

The accompanying notes are an integral part of the financial statements

**BELMONT-CENTRAL PARKING COMMISSION INC.
SPECIAL SERVICES AREA #2**

**STATEMENTS OF ACTIVITIES
For the Years Ended December 31, 2013 and 2012**

	2013	2012
REVENUE		
Property revenues - current year	\$ 279,101	\$ 355,826
Property revenues - prior years	(4,004)	(9,719)
SSA interest income	6	11
Interest income	2,475	1,954
Miscellaneous income	133	163
Less: Loss Collection	(8,115)	(3,336)
Total revenue	269,596	344,899
EXPENSES		
Services:		
Public Way Maintenance	16,000	23,500
Public Way Aesthetics	1,540	1,152
Parking/Transit/ Accessibility	48,956	65,655
Total services	66,496	90,307
Administration:		
Personnel	200,687	201,501
Non Personnel		
SSA Audit	2,500	2,500
Bookkeeping/Payroll	1,157	1,443
Office Rent	13,560	13,200
Office Utilities/Telephone	3,715	3,379
Office Supplies	420	678
Office Equipment Lease/Maintenance	-	575
Postage	96	45
Directors & Officers Insurance	533	533
Total admin - non personnel	21,981	22,353
Total administration	222,668	223,854
Total expenses	289,164	314,161
INCREASE (DECREASE) IN NET ASSETS	\$ (19,568)	\$ 30,738
BEGINNING OF YEAR - NET ASSETS	558,350	527,612
END OF YEAR - NET ASSETS	\$ 538,782	\$ 558,350

The accompanying notes are an integral part of the financial statements

**BELMONT-CENTRAL PARKING COMMISSION INC.
SPECIAL SERVICES AREA #2**

**STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2013 and 2012**

	2013	2012
Cash flows from operating activities:		
Net income (loss)	\$ (19,568)	\$ 30,738
Adjustments to reconcile net income to net cash provided by operations:		
(Increase)/decrease in:		
Due (to) from City of Chicago	4,870	5,885
Increase/(decrease) in:		
Accounts payable	577	2,105
Accrued expenses	(35)	(105)
	(14,156)	38,623
Net cash provided by/(used by) operating activities	(14,156)	38,623
Net increase (decrease) in cash	\$ (14,156)	\$ 38,623
Cash at the beginning of year	560,409	521,786
Cash at the end of year	\$ 546,253	\$ 560,409

The accompanying notes are an integral part of the financial statements

**BELMONT-CENTRAL PARKING COMMISSION INC.
SPECIAL SERVICES AREA #2**

**STATEMENTS OF ACTIVITIES - BUDGET AND ACTUAL
For the Years Ended December 31, 2013 and 2012**

	2013			2012		
	Budget	Actual	Actual Over/ (Under) Budget	Budget	Actual	Actual Over/ (Under) Budget
REVENUE						
Property revenues - CY	\$ 280,310	\$ 279,101	\$ (1,209)	\$ 350,976	\$ 355,826	\$ 4,850
Carryover	590,000	-	(590,000)	225,000	-	(225,000)
Property revenues - PY	-	(4,004)	(4,004)	-	(9,719)	(9,719)
SSA interest income	-	6	6	-	11	11
Interest income	-	2,475	2,475	-	1,954	1,954
Miscellaneous income	-	133	133	-	163	163
Less: Loss Collection	(35,000)	(8,115)	26,885	(25,000)	(3,336)	21,664
Total revenue	835,310	269,596	(565,714)	550,976	344,899	(206,077)
EXPENSES						
Services:						
Advertising & Promotion	100	-	(100)	250	-	(250)
Public Way Maintenance	14,575	16,000	1,425	5,000	23,500	18,500
Public Way Aesthetics	2,000	1,540	(460)	2,000	1,152	(848)
Parking/Transit/ Accessibility	602,800	48,956	(553,844)	327,800	65,655	(262,145)
Total services	619,475	66,496	(552,979)	335,050	90,307	(244,743)
Administration:						
Personnel	194,735	200,687	5,952	193,001	201,501	8,500
Non-Personnel						
SSA Annual Report	500	-	(500)	500	-	(500)
SSA Audit	2,500	2,500	-	6,000	2,500	(3,500)
Bookkeeping/Payroll	1,500	1,157	(343)	2,000	1,443	(557)
Meeting	100	-	(100)	-	-	-
Bank fees	50	-	(50)	-	-	-
Office Rent	11,880	13,560	1,680	9,900	13,200	3,300
Office Utilities/Telephone	3,420	3,715	295	2,850	3,379	529
Office Supplies	500	420	(80)	375	678	303
Office Equipment Lease/Maint	-	-	-	-	575	575
Postage	100	96	(4)	300	45	(255)
Directors & Officers Insurance	550	533	(17)	1,000	533	(467)
Total admin - non personnel	21,100	21,981	881	22,925	22,353	(572)
Total administration	215,835	222,668	6,833	215,926	223,854	7,928
Total expenses	835,310	289,164	(546,146)	550,976	314,161	(236,815)
INCREASE (DECREASE) IN NET ASSETS	\$ -	\$ (19,568)	\$ (19,568)	\$ -	\$ 30,738	\$ 30,738
BEGINNING OF YEAR - NET ASSETS		558,350			527,612	
END OF YEAR - NET ASSETS		\$ 538,782			\$ 558,350	

The accompanying notes are an integral part of the financial statements

BELMONT-CENTRAL PARKING COMMISSION, INC.
SPECIAL SERVICE AREA #2
(a taxing district authorized by the City of Chicago)

NOTES TO FINANCIAL STATEMENTS
For the Years Ended December 31, 2013 and 2012

NOTE 1 – NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities – Belmont-Central Parking Commission Special Service Area #2 (the Taxing District) is a taxing district authorized by the City of Chicago located in Chicago, Illinois. Its scope of services is to coordinate and supervise various activities to improve and enhance the Belmont-Central business district, and maintain the operation of the local city owned parking garage. The Taxing District is supported through property taxes levied on neighborhood residential and commercial properties which are collected by the City of Chicago.

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 other financial instruments that can be reduced to cash in thirty days or less. The Taxing District maintains its cash in bank deposit accounts which at times, may exceed the federally insured limits. The Taxing District believes it is not exposed to any significant credit risk on cash and cash equivalents.

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 #2 between the City of Chicago and Belmont-Central Parking Commission, Inc. As of December 31, 2013 and 2012, the Taxing District had unrestricted assets of \$538,782 and \$558,350, respectively.

Contributions – Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted net assets depending on the existence or nature of any donor restrictions. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. When a temporary restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

**BELMONT-CENTRAL PARKING COMMISSION, INC.
SPECIAL SERVICE AREA #2
(a taxing district authorized by the City of Chicago)**

**NOTES TO FINANCIAL STATEMENTS
For the Years Ended December 31, 2013 and 2012**

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

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 Taxing District is a not-for-profit organization that is exempt from federal income taxes according to Internal Revenue Code and is not classified by the Internal Revenue Service as a private foundation.

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 of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Accordingly, actual results could differ from those estimates.

Subsequent Events – Subsequent events have been evaluated through April 21, 2014, 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

BELMONT-CENTRAL PARKING COMMISSION, INC.
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NOTES TO FINANCIAL STATEMENTS
For the Years Ended December 31, 2013 and 2012

NOTE 2 - REAL ESTATE TAX REVENUE – (Continued)

year, but paid in two installments the following year by the property owners. The Organization reported real estate tax refunds of \$1,889 prior to the issuance of the audit for the year ending December 31, 2013. Also, the Organization accrued \$2,981 of real estate tax levies received prior to issuance of the audit for the year ending December 31, 2012.

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

The Organization maintains its cash balances in bank deposit accounts, which at times, exceed federally insured limits.

NOTE 4 – PROPERTY AND EQUIPMENT

Property and equipment are stated at cost. Depreciation is computed using the straight-line method over the estimated useful life of the assets.

The following is a summary of fixed assets as of December 31, 2013 and 2012:

Office equipment	\$ 4,858
Less: Accumulated Depreciation	<u>4,858</u>
Net fixed assets	<u><u>\$ -</u></u>

Major repairs to the parking structure are expensed as incurred.

NOTE 5 - RELATED PARTY TRANSACTIONS

The Belmont-Central Chamber of Commerce shares office space with the Taxing District and the Taxing District pays all of the office rent. All supplies and direct operating expenses of the Belmont-Central Chamber are separately accounted for and paid by the Chamber.

**BELMONT-CENTRAL PARKING COMMISSION, INC.
SPECIAL SERVICE AREA #2
(a taxing district authorized by the City of Chicago)**

**NOTES TO FINANCIAL STATEMENTS
For the Years Ended December 31, 2013 and 2012**

NOTE 5 - RELATED PARTY TRANSACTIONS – (Continued)

The Taxing District charges the Chamber for a portion of the salary and payroll taxes of the Executive Director.

In addition, the office space is leased from a SSA #2 commissioner. A total of \$13,560 and \$13,200 was expensed for this lease in 2013 and 2012, respectively.

NOTE 6 – OPERATING LEASE COMMITMENT

The Taxing District pays \$1,100 per month for office space based on a lease that was in effect from July 1, 2011 through June 30, 2013. This lease was renewed at a monthly rent of \$1,160 for the effective dates July 1, 2013 through June 30, 2015.

NOTE 7 – ACCRUED EXPENSES

Accrued expenses at December 31, 2013 and 2012 consist of payroll, payroll taxes and security deposit due. The payroll and payroll taxes accrued relates to the last week in current year that are paid out in the following year in the amount of \$3,900 and \$3,935, for 2013 and 2012, respectively. The security deposit due is \$100, which is the increase in rent per the lease agreement.

NOTE 8 – SSA#2 COMMISSION PLANS

The Belmont Central SSA 2 Commission was advised by Belmont Central Chamber of Commerce, sole service provider of SSA 2, that approval was made for a carryover of \$538,782 from 2013 SSA 2 funds be allocated to a reserve directly related to the parking facility it maintains and operates. These reserve funds are identified to cover required appropriate coinsurance levels, and required parking facility triennial maintenance projects.

**BELMONT-CENTRAL PARKING COMMISSION, INC.
SPECIAL SERVICE AREA #2
(a taxing district authorized by the City of Chicago)**

**SUMMARY SCHEDULE OF AUDIT FINDINGS
For the Year Ended December 31, 2013**

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 Belmont-Central Parking Commission Special Service Area #2. 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