

Sheridan Road
Special Service Area Number 54
(DevCorp North D/B/A Rogers Park Business Alliance, Contractor)

Comparative Financial Statements

Years Ended December 31, 2013 and 2012

Sheridan Road
Special Service Area Number 54
(DevCorp North D/B/A Rogers Park Business Alliance, Contractor)

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Sheridan Road Special Service Area Number 54
(DevCorp North D/B/A Rogers Park Business Alliance, Contractor)
Chicago, Illinois

We have audited the accompanying statement of financial position of Sheridan Road Special Service Area number 54 (a taxing district authorized by the City of Chicago) as of December 31, 2013 and 2012, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Organization's management. 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 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 audit provides 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 Sheridan Road Special Service Area number 54 (a taxing district authorized by the City of Chicago), as of December 31, 2013 and 2012, 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.

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 financial statements as a whole.

Bravos & Associates

March 28, 2014
Bloomington, Illinois

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Sheridan Road
Special Service Area Number 54
 (DevCorp North D/B/A Rogers Park Business Alliance, Contractor)
Comparative Statement of Financial Position
 December 31, 2013 and 2012

| | <u>2013</u> | <u>2012</u> |
|--|------------------|------------------|
| <u>Assets</u> | | |
| <u>Current Assets</u> | | |
| Cash and Cash equivalents | \$ 24,978 | \$ 20,383 |
| Due to SSA Number 24 | 153 | - |
| Prepaid expenses | <u>38</u> | <u>187</u> |
| <u>Total current assets</u> | 25,169 | 20,570 |
| | | |
| <u>Total Assets</u> | <u>\$ 25,169</u> | <u>\$ 20,570</u> |
| <u>Liabilities and Net Assets</u> | | |
| <u>Current Liabilities</u> | | |
| Accounts payable | \$ 260 | \$ 220 |
| Accrued expenses | 1,100 | 1,450 |
| Due to SSA Number 19 | 190 | 53 |
| Due to SSA Number 24 | - | 34 |
| Due to DevCorp North D/B/A Rogers Park Business Alliance | <u>25,946</u> | <u>26,624</u> |
| <u>Total current liabilities</u> | 27,496 | 28,381 |
| | | |
| <u>Net assets, unrestricted (deficit)</u> | <u>(2,327)</u> | <u>(7,811)</u> |
| | | |
| <u>Total Liabilities and Net Assets</u> | <u>\$ 25,169</u> | <u>\$ 20,570</u> |

Sheridan Road
Special Service Area Number 54
(DevCorp North D/B/A Rogers Park Business Alliance, Contractor)
Comparative Statement of Activities
For the Years ended December 31, 2013 and 2012

| | 2013 | | | 2012 | | |
|--|-------------------|---------------|----------------------------------|-------------------|---------------|----------------------------------|
| | <u>Actual</u> | <u>Budget</u> | <u>Over (Under) Variance</u> | <u>Actual</u> | <u>Budget</u> | <u>Over (Under) Variance</u> |
| <u>Changes in Unrestricted Net Assets:</u> | | | | | | |
| <u>Revenues:</u> | | | | | | |
| Tax Levy Revenue & Interest Income | \$ 83,059 | \$ 81,464 | \$ 1,595 | \$ 81,118 | \$ 81,464 | \$ (346) |
| <u>Expenses:</u> | | | | | | |
| <u>Program costs:</u> | | | | | | |
| 1.00 Advertising & Promotion | 2,447 | 1,500 | 947 | 3,190 | 1,500 | 1,690 |
| 2.00 Public Way Maintenance | 10,207 | 18,350 | (8,143) | 1,894 | 18,350 | (16,456) |
| 3.00 Public Way Aesthetics | 27,200 | 15,214 | 11,986 | 18,713 | 15,214 | 3,499 |
| 8.00 District Planning | - | 10,000 | (10,000) | 10,000 | 10,000 | - |
| Total Program Expense | <u>39,854</u> | <u>45,064</u> | <u>(5,210)</u> | <u>33,797</u> | <u>45,064</u> | <u>(11,267)</u> |
| <u>Administration</u> | | | | | | |
| 10.00 Personnel | 24,209 | 27,600 | (3,391) | 23,057 | 27,600 | (4,543) |
| 11.00 Operational & Administrative Support | 13,512 | 7,800 | 5,712 | 8,529 | 7,800 | 729 |
| 12.00 Loss Collections | - | 1,000 | \$ (1,000) | - | - | - |
| Total Administration expenses | <u>37,721</u> | <u>36,400</u> | <u>1,321</u> | <u>31,586</u> | <u>35,400</u> | <u>(3,814)</u> |
| Total Expenses | <u>77,575</u> | <u>81,464</u> | <u>(3,889)</u> | <u>65,383</u> | <u>80,464</u> | <u>(15,081)</u> |
| Increase (Decrease) in Net Assets | 5,484 | <u>-</u> | <u>5,484</u> | 15,735 | <u>1,000</u> | <u>14,735</u> |
| <u>Unrestricted Net Assets:</u> | | | | | | |
| Beginning of Year | <u>(7,811)</u> | | | <u>(23,546)</u> | | |
| End of Year (Deficit) | <u>\$ (2,327)</u> | | | <u>\$ (7,811)</u> | | |

Sheridan Road
Special Service Area Number 54
(DevCorp North D/B/A Rogers Park Business Alliance, Contractor)
Notes to Financial Statements
December 31, 2013 and 2012

Summary of Accounting Policies

Nature of Organization

DevCorp North D/B/A Rogers Park Business Alliance (Organization) is a not-for-profit corporation organized under the laws of the State of Illinois. The Organization was formed to revitalize the Rogers Park business districts.

Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, Financial Statements of Not-for-Profit Organizations. Under SFAS No. 117, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets temporarily restricted net assets and permanently restricted net assets. At December 31, 2013 and 2012, the Organization had no temporarily or permanently restricted net assets.

Special Service Area Agreement

The Organization entered into an agreement with the City of Chicago, whereby the City has establish a special service area known and designated as “Sheridan Road Special Service Area Number 54” to provide special services in addition to those services generally provided by the City. DevCorp North D/B/A Rogers Park Business Alliance has been designated as “Contractor” under terms of the agreement. The City has authorized a levy not to exceed 1% of the equalized assessed value of all property within the area to produce sufficient revenues to provide those special services.

The maximum amount to be paid to the Organization is the lesser of \$ 81,464 or the amount of service tax funds collected for the years 2013 and 2012. For each subsequent year of the agreement, the maximum amount to be paid is the lesser of the budget for that year or the amount of service tax funds actually collected for the preceding tax year. The agreement is renewable annually.

Use of Accounting Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Sheridan Road
Special Service Area Number 54
(DevCorp North D/B/A Rogers Park Business Alliance, Contractor)
Notes to Financial Statements
December 31, 2013 and 2012

Summary of Accounting Policies – Continued

Concentration of Credit Risk

The Organization maintains its cash balances at three financial institutions in the Chicago metropolitan area, which are federally insured up to prescribed limits.

Income Tax Status

The Organization is exempt from Federal Income tax under Section 501(c) (3) of the Internal Revenue Code.

Revenue Recognition

Revenue from property taxes levied is recognized in the year that it becomes available.

Related Party Transactions

Sheridan Road Special Service Area Number 54 shares office space, equipment and employees through its affiliation with DevCorp North, D/B/A Rogers Park Business Alliance, the contractor.

Sheridan Road Special Service Area Number 54 has no employees of its own, but reimburses the contractor for the payroll and related costs of the individuals working on the programs. In addition, the contractor also receives reimbursements for a portion of its operating expenses, and use of office equipment and supplies.

Bravos & Associates

Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT ON THE SUPPLEMENTARY INFORMATION

To the Board of Directors
Sheridan Road Special Services Area Number 54
(DevCorp North D/B/A Rogers Park Business Alliance, Contractor)
Chicago, Illinois

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information which follows is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.

Bravos & Associates CPAs

March 28, 2014
Bloomington, Illinois

Sheridan Road
Special Service Area Number 54
 (DevCorp North D/B/A Rogers Park Business Alliance, Contractor)
Comparative Schedule of Tax Levy and Interest Income
December 31, 2013 and 2012

| | <u>2013</u> | <u>2012</u> |
|--|--|--|
| | <u>Income</u> <u>(Returned to City)</u> | <u>Income</u> <u>(Returned to City)</u> |
| <u>Tax Levy Revenue</u> | | |
| Tax Year 2007 | \$ - | \$ - |
| Tax Year 2008 | - | - |
| Tax Year 2009 | - | - |
| Tax Year 2010 | - | - |
| Tax Year 2011 | (192) | 81,117 |
| Tax Year 2012 | <u>83,250</u> | <u>-</u> |
| | | |
| Total received during year - Cash Basis | 83,058 | 81,117 |
| <u>Accrual adjustments - Accounts Receivable</u> | | |
| Beginning of year | - | - |
| End of year | <u>-</u> | <u>-</u> |
| | | |
| Total tax levy revenue accrual basis | <u>83,058</u> | <u>81,117</u> |
| | | |
| <u>Interest Income</u> | | |
| | | |
| Interest earned - Bank accounts | - | - |
| Interest paid by City of Chicago | <u>1</u> | <u>1</u> |
| | | |
| Total Interest Income Earned | <u>1</u> | <u>1</u> |
| | | |
| Total Tax Levy Revenue and Interest Income | <u>\$ 83,059</u> | <u>\$ 81,118</u> |

Sheridan Road
Special Service Area Number 54
(DevCorp North D/B/A Rogers Park Business Alliance, Contractor)
Comparative Schedule of Expenses with Budget Variances
For the Years Ended December 31, 2013 and 2012

| | 2013 | | | 2012 | | |
|--|--------|--------|--------------------------|----------|--------|--------------------------|
| | Actual | Budget | Over (Under) Variance | Actual | Budget | Over (Under) Variance |
| <u>Expenses:</u> | | | | | | |
| <u>Programs:</u> | | | | | | |
| <u>1.00 Advertising & Promotion</u> | | | | | | |
| 1.05 Print Materials | \$ 212 | \$ 500 | \$ (288) | \$ 1,008 | \$ 500 | \$ 508 |
| 1.06 Holiday/Seasonal Promotions | 2,235 | 1,000 | 1,235 | 2,182 | 1,000 | 1,182 |
| Totals | 2,447 | 1,500 | 947 | 3,190 | 1,500 | 1,690 |
| <u>2.00 Public Way Maintenance</u> | | | | | | |
| 2.05 Equipment Purchase & Maintenance | 41 | 250 | (209) | - | 250 | (250) |
| 2.08 Liability/Property Insurance | 441 | 100 | 341 | 88 | 100 | (12) |
| 2.02 Sidewalk Snow Plowing | 8,872 | 15,000 | (6,128) | 1,772 | 15,000 | (13,228) |
| 2.07 Storage Rental | 395 | 500 | (105) | - | 500 | (500) |
| 2.06 Supplies | 379 | 500 | (121) | 34 | 500 | (466) |
| 2.09 Trash Removal Service | - | 500 | (500) | - | 500 | (500) |
| 2.10 Other: Maintenance Stipends | 79 | 1,500 | (1,421) | - | 1,500 | (1,500) |
| Totals | 10,207 | 18,350 | (8,143) | 1,894 | 18,350 | (16,456) |
| <u>3.00 Public Way Aesthetics</u> | | | | | | |
| 3.02 Decorative Banners and/or Holiday Decorations | - | - | - | 719 | - | 719 |
| 3.05 Landscaping | 27,200 | 15,214 | 11,986 | 17,994 | 15,214 | 2,780 |
| Totals | 27,200 | 15,214 | 11,986 | 18,713 | 15,214 | 3,499 |
| <u>8.00 District Planning</u> | | | | | | |
| 8.01 SSA Startup or Reconstitution Costs | - | 10,000 | (10,000) | 10,000 | 10,000 | - |
| Totals | - | 10,000 | (10,000) | 10,000 | 10,000 | - |

Sheridan Road
Special Service Area Number 54
(DevCorp North D/B/A Rogers Park Business Alliance, Contractor)
Comparative Schedule of Expenses with Budget Variances
For the Years Ended December 31, 2013 and 2012

| | 2013 | | | 2012 | | |
|---|---------------|---------------|----------------------------------|---------------|---------------|----------------------------------|
| | <u>Actual</u> | <u>Budget</u> | <u>Over (Under) Variance</u> | <u>Actual</u> | <u>Budget</u> | <u>Over (Under) Variance</u> |
| <u>Expenses:</u> | | | | | | |
| <u>Programs:</u> | | | | | | |
| <u>10.00 Personnel</u> | | | | | | |
| 10.2 Managing Director | \$ 9,586 | \$ - | \$ 9,586 | \$ 8,696 | \$ - | \$ 8,696 |
| 10.04 Project Manager | 5,729 | 16,200 | (10,471) | 5,696 | 16,200 | (10,504) |
| 10.05 Director of Maintenance | 4,604 | 4,200 | 404 | 4,625 | 4,200 | 425 |
| 10.06 Administrative Assisstant | 4,290 | 7,200 | (2,910) | 4,040 | 7,200 | (3,160) |
| Totals | <u>24,209</u> | <u>27,600</u> | <u>(3,391)</u> | <u>23,057</u> | <u>27,600</u> | <u>(4,543)</u> |
| <u>Administration:</u> | | | | | | |
| <u>11.00 Administrative Non-Personnel</u> | | | | | | |
| 11.02 SSA Audit | 3,200 | 2,000 | 1,200 | 800 | 2,000 | (1,200) |
| 11.03 Bookkeeping | 3,380 | 1,500 | 1,880 | 2,040 | 1,500 | 540 |
| 11.04 Office Rent | 4,507 | 2,400 | 2,107 | 3,206 | 2,400 | 806 |
| 11.05 Office Utilites/Telephone | 601 | 500 | 101 | 619 | 500 | 119 |
| 11.06 Office Supplies | 706 | 250 | 456 | 314 | 250 | 64 |
| 11.07 Office Equipment Lease/Maintenance | 519 | 600 | (81) | 636 | 600 | 36 |
| 11.08 Office Printing | 240 | 200 | 40 | 200 | 200 | - |
| 11.09 Postage | 90 | 150 | (60) | 150 | 150 | - |
| 11.10 Meeting Expense | 246 | 200 | 46 | 140 | 200 | (60) |
| 11.11 Subscriptions/Dues | 22 | - | 22 | - | - | - |
| 11.12 Banking Fees | 1 | - | 1 | - | - | - |
| 11.13 Line of Credit Expenses | - | - | - | 424 | - | 424 |
| Totals | <u>13,512</u> | <u>7,800</u> | <u>5,712</u> | <u>8,529</u> | <u>7,800</u> | <u>729</u> |

Sheridan Road
Special Service Area Number 54
(DevCorp North D/B/A Rogers Park Business Alliance, Contractor)
Schedule of Findings
Year ended December 31, 2013 and 2012

Finding # 1

We have reviewed the Agreement for Special Service Area Number 54 between the City of Chicago and the Contractor for the year ended December 31, 2013 and 2012.

We noted no exceptions

State of Illinois

Department of Financial and Professional Regulation Division of Professional Regulation

LICENSE NO.
066.003838
065.009475

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
SOLE PROPRIETORSHIP**

**BRAVOS & ASSOCIATES
324 RIDGEWOOD DR
BLOOMINGDALE, IL 60108**



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

7292846

State of Illinois

Department of Financial and Professional Regulation Division of Professional Regulation

LICENSE NO.
065.009475

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:
09/30/2015

**LICENSED
CERTIFIED PUBLIC ACCOUNTANT**

**THOMAS WILLIAM BRAVOS
324 RIDGEWOOD DR
BLOOMINGDALE, IL 60108**



Brent E. Adams

BRENT E. ADAMS
SECRETARY

Jay Stewart

JAY STEWART
DIRECTOR

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

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