

95-Ashland Special Service Area
Number 69

(Greater Auburn Gresham Development Corporation)

Years Ended December 31, 2017 and 2016

95-Ashland Special Service Area

Number 69

(Greater Auburn Gresham Development Corporation)

<u>Contents</u>	<u>Page</u>
Independent Auditor's Report	1 - 2
<u>Financial Statements</u>	
Governmental Fund Balance Sheet and Statement of Net Position	3
Statements of Governmental Fund Revenues, Expenditures and Changes in Fund Balance and Activities	4 - 5
Independent Auditor's Report on the Supplementary Information	6
Summary Schedule of Revenues and Expenditures - Budget and Actual - General Fund	7
Detail Schedule of Revenues and Expenditures - Budget and Actual - General Fund	8 - 11
Notes to Financial Statements	12 - 15
Schedule of Audit Findings	16

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
95-Ashland Special Service Area Number 69
(Greater Auburn-Gresham Development Corporation, Contractor)
Chicago, Illinois

We have audited the accompanying statement of governmental activities and the major fund of 95-Ashland Special Service Area Number 69 (a taxing district authorized by the City of Chicago) as of December 31, 2017 and 2016, and the related statements of activities and governmental funds, revenues, expenditures and changes in fund balances for the years then ended, which collectively comprise the service areas' basic financial statements as listed in the table of contents.

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 opinions 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 judgement, 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 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 estimates made by management, as well as evaluating the overall financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of 95-Ashland Special Service Area Number 69 (a taxing district authorized by the City of Chicago), as of December 31, 2017 and 2016, and the respective changes in financial position thereof and the respective budgetary comparison for the General Fund for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principal

The special service area changed its method of accounting to generally accepted accounting principles as applicable to governmental entities. Our opinions are not modified with respect to that matter.

Other Matter

Required Supplementary Information

Management has omitted the 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. 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 historical context. Our opinion on the basic financial statements is not affected by this missing information.

Bravos & Associates CPAs

April 23, 2018
Bloomington, Illinois



95-Ashland Special Service Area # 69
Governmental Fund Balance Sheet and
Statement of Net Position
December 31, 2017

	<u>2017</u>			<u>2016</u>		
	<u>Governmental</u>	<u>Adjustments</u>	<u>Statement of</u>	<u>Governmental</u>	<u>Adjustments</u>	<u>Statements of</u>
<u>Assets</u>	<u>Fund</u>		<u>Net Position</u>	<u>Fund</u>		<u>Activities</u>
Cash	\$ 50,723	\$ -	\$ 50,723	\$ 83,326	\$ -	\$ 83,326
Property tax receivable, net of allowance for uncollectable taxes of \$ 22,000	429,709	-	429,709	432,552	-	432,552
Total Assets	<u>\$ 480,432</u>	<u>\$ -</u>	<u>\$ 480,432</u>	<u>\$ 515,878</u>	<u>\$ -</u>	<u>\$ 515,878</u>
<u>Liabilities</u>						
Accounts payable	\$ -	\$ -	\$ -	\$ 10,972	\$ -	\$ 10,972
<u>Deferred Inflows</u>						
Deferred property tax revenue	407,635	(407,635)	-	431,752	(431,752)	-
<u>Fund Balances/Net Position</u>						
Unassigned (deficit)	72,797	407,635	480,432	73,154	431,752	504,906
Total Liabilities, deferred inflows and fund balance/net position	<u>\$ 480,432</u>	<u>\$ -</u>	<u>\$ 480,432</u>	<u>\$ 515,878</u>	<u>\$ -</u>	<u>\$ 515,878</u>

Amounts reported for governmental activities in the statements of net position are different because:

Total fund balance - governmental fund	\$ 72,797	\$ 73,154
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Property tax revenue is recognized in the period for which it is levied rather than when "available". A portion of the property tax is deferred as it is not available in the governmental funds.

	407,635	431,752
Total net position - governmental activities	<u>\$ 480,432</u>	<u>\$ 504,906</u>

95-Ashland Special Service Area # 69
Statements of Governmental Fund Revenues, Expenditures and
Changes in Fund Balance and Activities
Years Ended December 31, 2017 and 2016

	<u>2017</u>			<u>2016</u>		
	Governmental Fund	Adjustments	Statements of Activities	Governmental Fund	Adjustments	Statements of Activities
<u>Revenues</u>						
Property taxes	\$ 429,912	\$ (24,117)	\$ 405,795	\$ 417,255	\$ 38,008	\$ 455,263
TIF rebates	-	-	-	-	-	-
Other income	26	-	26	3	-	3
Total revenues	<u>429,938</u>	<u>(24,117)</u>	<u>405,821</u>	<u>417,258</u>	<u>38,008</u>	<u>455,266</u>
<u>Expenditures/Expenses:</u>						
1.00 Customer/Attraction	48,758	-	48,758	33,574	-	33,574
2.00 Public Way Aesthetics	148,644	-	148,644	69,990	-	69,990
3.00 Sustainability and Public Places	-	-	-	72,986	-	72,986
4.00 Economic/Business Development	33,725	-	33,725	37,910	-	37,910
5.00 Safety Programs	75,000	-	75,000	66,809	-	66,809
6.00 SSA Management	50,173	-	50,173	37,043	-	-
7.00 Personnel	73,995	-	73,995	33,850	-	-
8.00 Loss Collection	-	-	-	-	-	-
Total expenditures/Expenses	<u>430,295</u>	<u>-</u>	<u>430,295</u>	<u>352,162</u>	<u>-</u>	<u>352,162</u>
(Deficiency) Excess of revenues over expenditures/expenses	(357)	357		65,096	(65,096)	
Change in net position		(24,474)	(24,474)		103,104	103,104
Fund balance/net position beginning of the year	<u>73,154</u>	<u>431,752</u>	<u>504,906</u>	<u>8,058</u>	<u>393,744</u>	<u>401,802</u>
Fund balance/net position at end of the year	<u>\$ 72,797</u>	<u>\$ 407,635</u>	<u>\$ 480,432</u>	<u>\$ 73,154</u>	<u>\$ 431,752</u>	<u>\$ 504,906</u>

95-Ashland Special Service Area # 69
Statements of Governmental Fund Revenues, Expenditures and
Changes in Fund Balance and Activities
Years Ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Amounts reported for governmental activities in the statements of net position are different because:		
Net change in Fund balance - government funds	\$ (357)	\$ 65,096
Property tax revenue is recognized in the period for which it is levied rather than when "available". A portion of the property tax is deferred as it is not available in the governmental funds.	<u>(24,474)</u>	<u>103,104</u>
 Change in Net Position	 <u>\$ (24,831)</u>	 <u>\$ 168,200</u>

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INDEPENDENT AUDITOR'S REPORT ON THE SUPPLEMENTARY INFORMATION

To the Board of Directors
95-Ashland Special Service Area Number 69
(Greater Auburn-Gresham Development Corporation, 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

April 23, 2018
Bloomington, Illinois

95-Ashland Special Service Area # 69
Summary Schedule of Revenues and Expenditures
Budget and Actual - General Fund
Years ended December 31, 2017 and 2016

	2017			2016		
	<u>Budget</u>	<u>Actual</u>	<u>Over (Under) Variance</u>	<u>Budget</u>	<u>Actual</u>	<u>Over (Under) Variance</u>
<u>Revenues:</u>						
Property taxes	\$ 434,436	\$ 429,912	\$ (4,524)	\$ 433,760	\$ 417,255	\$ (16,505)
Tif rebates	-	-	-	-	-	-
Interest income	-	26	26	-	3	3
<u>Total revenues</u>	<u>\$ 434,436</u>	<u>\$ 429,938</u>	<u>\$ (4,498)</u>	<u>\$ 433,760</u>	<u>\$ 417,258</u>	<u>\$ (16,502)</u>
<u>Expenses & Programs:</u>						
1.00 Customer/Attraction	\$ 50,200	\$ 48,758	\$ (1,442)	\$ 44,000	\$ 33,574	\$ (10,426)
2.00 Public Way Aesthetics	150,000	148,644	148,644	80,000	69,990	(10,010)
3.00 Sustainability and Public Places	-	-	-	80,000	72,986	(7,014)
4.00 Economic/Business Development	34,000	33,725	(275)	38,000	37,910	(90)
5.00 Safety Programs	75,000	75,000	-	70,000	66,809	(3,191)
6.00 SSA Management	52,400	50,173	(2,227)	65,849	37,043	(28,806)
7.00 Personnel	77,837	73,995	(3,842)	33,911	33,850	(61)
8.00 Loss Collection	-	-	-	22,000	-	22,000
<u>Totals Expenses & Programs</u>	<u>439,437</u>	<u>430,295</u>	<u>(9,131)</u>	<u>433,760</u>	<u>352,162</u>	<u>(37,598)</u>
Excess of revenues over (under) expenditures	\$ (5,001)	\$ (357)	\$ (4,644)	\$ -	\$ 65,096	\$ (65,096)
Carryover	5,001	357	4,644	-	(65,096)	65,096
<u>Net revenues in excess of expenditures</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

95-Ashland Special Service Area # 69
Detail Schedule of Revenues and Expenditures
Budget and Actual - General Fund
Years ended December 31, 2017 and 2016

	2017			2016		
	<u>Budget</u>	<u>Actual</u>	<u>Over (Under) Variance</u>	<u>Budget</u>	<u>Actual</u>	<u>Over (Under) Variance</u>
Revenues:						
Property taxes	\$ 434,436	\$ 429,912	\$ (4,524)	\$ 433,760	\$ 417,255	\$ (16,505)
Tif rebates	-	-	-	-	-	-
Interest income	-	26	26	-	3	3
<u>Total revenues</u>	<u>\$ 434,436</u>	<u>\$ 429,938</u>	<u>\$ (4,498)</u>	<u>\$ 433,760</u>	<u>\$ 417,258</u>	<u>\$ (16,502)</u>
Expenses & Programs:						
1.00 Customer/Attraction						
1.01 Website	\$ 4,775	\$ 4,175	\$ (600)	\$ 4,000	\$ 2,450	\$ (1,550)
1.05 Decorative Banners	10,000	9,934	(66)	15,000	14,000	(1,000)
1.06 Holiday Decorations	20,425	20,026	(399)	15,000	12,000	(3,000)
1.07 Print Materials	10,000	9,823	(177)	5,000	3,124	(1,876)
1.08 Display Advertising	5,000	4,800	(200)	5,000	2,000	(3,000)
<u>Totals</u>	<u>50,200</u>	<u>48,758</u>	<u>(1,442)</u>	<u>44,000</u>	<u>33,574</u>	<u>(10,426)</u>
2.00 Public Way Aesthetics						
2.02 Landscaping	20,000	20,000	-	20,000	19,895	(105)
2.03 Façade Enhancement Program-Rebate	20,000	19,975	(25)	20,000	15,657	(4,343)
2.07 Sidewalk Maintenance	25,000	25,000	-	25,000	24,438	(562)
2.09 Sidewalk Maintenance Clean slate	70,000	69,800	(200)	-	-	-
2.09 Architect Intern	-	-	-	-	-	-
2.10 Façade Enhancement Interior Design	15,000	13,869	(1,131)	15,000	10,000	(5,000)
<u>Totals</u>	<u>150,000</u>	<u>148,644</u>	<u>(1,356)</u>	<u>80,000</u>	<u>69,990</u>	<u>(10,010)</u>

95-Ashland Special Service Area # 69
Detaill Schedule of Revenues and Expenditures
Budget and Actual - General Fund
Years ended December 31, 2017 and 2016

	2017			2016		
	<u>Budget</u>	<u>Actual</u>	<u>Over (Under) Variance</u>	<u>Budget</u>	<u>Actual</u>	<u>Over (Under) Variance</u>
<u>Expenses & Programs:</u>						
<u>3.00 Sustainability and Public Places</u>						
3.01 Garbage/Recycling Material Program	\$ -	\$ -	\$ -	\$ 80,000	\$ 72,986	\$ (7,014)
<u>4.00 Economic/Business Development</u>						
4.01 Site Marketing	10,000	9,993	(7)	10,000	9,910	(90)
4.06 Economic Impact Study /Market Study	8,000	7,832	(168)	12,000	12,000	-
4.07 Commission Development	3,000	3,000	-	3,000	3,000	-
4.08 Master Planning	10,000	10,000	-	10,000	10,000	-
4.09 SSA Designation	-	-	-	-	-	-
4.10 Conduct survey of local business	3,000	2,900	(100)	3,000	3,000	-
<u>Totals</u>	<u>34,000</u>	<u>33,725</u>	<u>(275)</u>	<u>38,000</u>	<u>37,910</u>	<u>(90)</u>
<u>5.00 Safety Programs</u>						
5.03 Security Patrol Services	75,000	75,000	-	70,000	66,809	(3,191)

95-Ashland Special Service Area # 69
Detaill Schedule of Revenues and Expenditures
Budget and Actual - General Fund
Years ended December 31, 2017 and 2016

	2017			2016		
	<u>Budget</u>	<u>Actual</u>	<u>Over (Under) Variance</u>	<u>Budget</u>	<u>Actual</u>	<u>Over (Under) Variance</u>
<u>Expenses & Programs:</u>						
<u>6.00 SSA Management</u>						
6.01 Annual Report	3,000	3,000	-	3,000	-	(3,000)
6.02 SSA Audit	7,000	6,031	(969)	7,000	-	(7,000)
6.03 Bookkeeping	4,000	4,000	-	4,000	4,000	-
6.04 Office Rent	9,600	9,600	-	9,600	9,600	-
6.05 Office Utilities	3,600	3,599	(1)	3,600	-	(3,600)
6.06 Office Supplies	3,600	3,517	(83)	3,600	372	(3,228)
6.07 Office Equipment Lease/Maintenance	3,600	3,595	(5)	3,600	1,295	(2,305)
6.08 Office Printing	3,000	2,910	(90)	3,000	1,200	(1,800)
6.09 Postage	1,000	1,000	-	1,000	-	(1,000)
6.10 Meeting Expense	2,000	1,804	(196)	2,000	875	(1,125)
6.12 Banking Fees	1,000	117	(883)	-	684	684
6.13 Monitoring Compliance	3,000	3,000	-	6,916	6,907	(9)
6.14 Equipment Purchase/Maintenance	3,000	3,000	-	-	-	-
6.16 Storage Fee	2,000	2,000	-	2,000	-	(2,000)
6.17 Liability/Property Insurance	1,000	1,000	-	2,000	-	(2,000)
6.18 IT Monitoring	2,000	2,000	-	14,533	12,110	(2,423)
6.19 Interest	-	-	-	-	-	-
<u>Totals.</u>	<u>52,400</u>	<u>50,173</u>	<u>(2,227)</u>	<u>65,849</u>	<u>37,043</u>	<u>(28,806)</u>

95-Ashland Special Service Area # 69
Detail Schedule of Revenues and Expenditures
Budget and Actual - General Fund
Years ended December 31, 2017 and 2016

	2017			2016		
	<u>Budget</u>	<u>Actual</u>	<u>Over (Under) Variance</u>	<u>Budget</u>	<u>Actual</u>	<u>Over (Under) Variance</u>
<u>Expenses & Programs:</u>						
<u>7.00 Personnel</u>						
7.01 Executive Director	6,917	6,906	(11)	-	-	-
7.02 SSA Management	52,200	48,369	(3,831)	33,911	33,850	(61)
7.03 Personnel	18,720	18,720	-	-	-	-
<u>Totals</u>	<u>77,837</u>	<u>73,995</u>	<u>(3,842)</u>	<u>33,911</u>	<u>33,850</u>	<u>(61)</u>
<u>8.00 Loss Collection</u>						
8.01 Loss collection	-	-	-	22,000	-	22,000
Totals Expenses & Programs	<u>439,437</u>	<u>430,295</u>	<u>(9,131)</u>	<u>433,760</u>	<u>352,162</u>	<u>(37,598)</u>
Excess of revenues over (under) expenditures	<u>\$ (5,001)</u>	<u>\$ (357)</u>	<u>\$ (4,644)</u>	<u>\$ -</u>	<u>\$ 65,096</u>	<u>\$ (65,096)</u>

95-Ashland Special Service Area Number 69
(Greater Auburn-Gresham Development Corporation, Contractor)
Notes to Financial Statements
December 31, 2017 and 2016

Summary of Accounting Policies

Nature of Reporting Entity

Special Service Area # 69 is a taxing district authorized by the City of Chicago located in Chicago, Illinois. Its scope of services is to fund various activities to improve and enhance the 95-Ashland commercial district. The SSA is funded by property taxes levied on properties within the SSA boundaries, which are collected by Cook County Treasurer, and then distributed by the City of Chicago to the SSA.

Special Service Area Number 69 is governed by a Commission whose members are appointed by the Mayor of Chicago. The City of Chicago contracted with Greater Auburn-Gresham Development Corporation, to perform administrative duties as the service provider for this SSA during the reporting period. Greater Auburn-Gresham Development Corporation is an Illinois not-for-profit corporation that is exempt from federal income taxes under Section 501c3 of the Internal Revenue Code.

Basis of Presentation

The government-wide financial statements report information on all the activities of the Special Service Area. Governmental activities include those items funded by the tax levies. While separate governmental activities incorporate data from the governmental funds. The fund financial statements are prepared on major governmental funds. The commission reports one major governmental fund, the General Fund.

Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources or economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the *economic resources measurement focus* and 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 for which they are levied.

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Commission considers revenues to be available if they are collected within 60 days of the end of current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

Property taxes associated with the current fiscal period are susceptible to accrual and so have been recognized as revenue of the current fiscal period. All other revenue items are measurable and available only when cash is received by the Commission.

Budgetary Information

An annual budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America for the General Fund. The Commission submits a proposed operating budget for the fiscal year to the City of Chicago for approval. The operating budget includes proposed expenditures and the means of financing them for the General Fund. The annual appropriation lapses at fiscal year-end.

95-Ashland Special Service Area Number 69
(Greater Auburn-Gresham Development Corporation, Contractor)
Notes to Financial Statements
December 31, 2017 and 2016

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

Cash and Investments

The commission's cash and cash equivalents are cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position and or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows* of resources, represents a consumption of net position that applies to a future period and so will *not* be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of net position and or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of Resources*, represents an acquisition of net position that applies to a future period and so will *not* be recognized as an inflow of resources (revenues) until that time. The Commission has only one type of item, which arises under the modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, *unavailable property tax revenue*, is reported in the governmental fund's balance sheet. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available.

Net Position Flow Assumption

To calculate the amounts to report as restricted-net position and unrestricted-net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are applied. It is the Commission's policy to consider restricted-net position to have been depleted before unrestricted-net position is applied.

Fund Balance Flow Assumptions

Sometimes the Commission will fund outlays for a purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). To calculate the amounts to report as restricted, committed, assigned and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are applied. It is the Commission's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

95-Ashland Special Service Area Number 69
(Greater Auburn-Gresham Development Corporation, Contractor)
Notes to Financial Statements
December 31, 2017 and 2016

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance
Continued:

Fund Balance Policies

Fund balance of the governmental fund is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The Commission itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the Commission's highest level of decision-making authority. The Board of Directors is the highest level of decision-making authority for the Commission that can, by adoption or resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the Commission for specific purposes but do not meet the criteria to be classified as committed. Intent can be expressed by the Board of Directors or by an individual or body to which the Commission delegates the authority. The Board of Directors may also assign fund balances as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

Special Service Area Agreement

The Commission entered into an agreement with the City of Chicago on January 1, 2015, which require renewals from time to time, whereby the City established a special service area (a taxing district authorized by the City of Chicago) designated as 95-Ashland SSA Number 69 to provide special services in addition to those normally provided by the City. The Greater Auburn-Gresham Development Corporation has been designated as the Contractor which services the special service area.

Property Taxes

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 estimated based on the prior year billed levy (55%) and is due in March. The second installment is due on August 1, or 30 Days from 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 Cook County. Bills are issued and collected by Cook County who remits the Commission's share to the City of Chicago who then remits the monies to the Commission.

95-Ashland Special Service Area Number 69
(Greater Auburn-Gresham Development Corporation, Contractor)
Notes to Financial Statements
December 31, 2017 and 2016

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance
Continued:

Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities and the reported revenues and expenditures/expenses. Actual results could differ from those estimates.

Comparative Data

As required by the City of Chicago, comparative data for the prior year has been presented in the statement of revenue and expenditures – budget and actual-general fund.

Detailed Notes on all Activities and Funds

Deposits

Custodial credit risk for deposits is the risk that, in the event of a bank failure, the Commission's deposits may not be returned to it. The Commission does not have a deposit policy for custodial credit risk. As of December 31, 2017, the Commission's bank balance was \$ 50,723.

Receivables

Property tax receivables are presented net with an allowance for uncollectible taxes the years ended December 31, 2017, in the amount of \$ 22,000.

Related Party Transactions

During the year ended December 31, 2017 and 2016, the Greater Auburn-Gresham Development Corporation charged the Commission for employee, reimbursements for services rendered and administrative costs.

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.

Concentration of Credit Risk

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

95-Ashland Special Service Area Number 69
(Greater Auburn-Gresham Development Corporation, Contractor)
Schedule of Audit Findings
December 31, 2017 and 2016

Finding # 1

We have reviewed the Agreement for Special Service Area Number 69 between the City of Chicago and the Contractor for the year ended December 31, 2017 and 2016.

We noted no exceptions