

**LINCOLN PARK CHAMBER
OF COMMERCE, INC.
SPECIAL SERVICE AREA #23
SPECIAL SERVICE AREA #35**

YEARS ENDED DECEMBER 31, 2010 AND 2009

LINCOLN PARK CHAMBER OF COMMERCE, INC.
SPECIAL SERVICE AREA #23
SPECIAL SERVICE AREA #35

YEARS ENDED DECEMBER 31, 2010 AND 2009

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Independent Auditors' Report

Board of Directors
Lincoln Park Chamber of Commerce, Inc.
Special Service Area #23
Special Service Area #35
Chicago, Illinois

*Independent Affiliate
of BKR International*

We have audited the accompanying combined statement of financial position of Lincoln Park Chamber of Commerce, Inc. (LPCC), Special Service Area #23 (A Taxing District Authorized by the City of Chicago) (SSA #23) and Special Service Area #35 (A Taxing District Authorized by the City of Chicago) (SSA #35) as of December 31, 2010 and the related combined statements of activities and changes in net assets and cash flows for the year then ended. These combined financial statements are the responsibility of LPCC's, SSA #23's and SSA #35's management. Our responsibility is to express an opinion on these combined financial statements based on our audit. The combined financial statements of Lincoln Park Chamber of Commerce, Inc., Special Service Area #23 (A Taxing District Authorized by the City of Chicago) and Special Service Area #35 (A Taxing District Authorized by the City of Chicago) as of December 31, 2009, were audited by other auditors whose report dated March 3, 2010 expressed an unqualified opinion on those statements.

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 combined financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the combined financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall combined financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of the Lincoln Park Chamber of Commerce, Inc., Special Service Area #23 (A Taxing District Authorized by the City of Chicago) and Special Service Area #35 (A Taxing District Authorized by the City of Chicago) as of December 31, 2010 and the combined changes in their net assets and their cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Our audit was made for the purpose of forming an opinion on the basic combined financial statements taken as a whole. The additional information on pages 12 through 21 is presented for purposes of additional analysis and is not a required part of the basic combined financial statements. That information, except for the budget information on pages 13 through 16 and 18 through 20, which is unaudited, has been subjected to the auditing procedures applied in the audit of the basic combined financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic combined financial statements taken as a whole.

Ostrow Beisen Bell & Abrams, LLP

February 17, 2011

LINCOLN PARK CHAMBER OF COMMERCE, INC.
SPECIAL SERVICE AREA #23
SPECIAL SERVICE AREA #35

COMBINED STATEMENT OF FINANCIAL POSITION

December 31,	2010				2009
	LPCC	SSA #23	SSA #35	Total	Total
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 214,783	\$ 152,017	\$ 19,035	\$ 385,835	\$ 383,094
Accounts receivable, net of allowance for doubtful accounts for SSA #23 of \$3,305 at December 31, 2010	12,580	108,187	35,427	156,194	39,202
Prepaid expenses	2,858			2,858	
Total current assets	230,221	260,204	54,462	544,887	422,296
Property and equipment:					
Office equipment	44,748			44,748	44,748
Furniture	8,771			8,771	8,015
	53,519			53,519	52,763
Less accumulated depreciation	(46,674)			(46,674)	(43,089)
Property and equipment, net	6,845			6,845	9,674
Security deposit	2,400			2,400	2,400
Total assets	\$ 239,466	\$ 260,204	\$ 54,462	\$ 554,132	\$ 434,370

See notes to combined financial statements.

LINCOLN PARK CHAMBER OF COMMERCE, INC.
SPECIAL SERVICE AREA #23
SPECIAL SERVICE AREA #35

COMBINED STATEMENT OF FINANCIAL POSITION (CONTINUED)

December 31,	2010				2009
	LPCC	SSA #23	SSA #35	Total	Total
LIABILITIES AND NET ASSETS					
Current liabilities:					
Accounts payable	\$ 324	\$ 12,982		\$ 13,306	\$ 13,953
Line of credit					71,521
Accrued interest					788
Deferred revenue	52,398			52,398	52,501
Total current liabilities	52,722	12,982		65,704	138,763
Net assets:					
Unrestricted	186,744	247,222	\$ 54,462	488,428	295,607
Total liabilities and net assets	\$ 239,466	\$ 260,204	\$ 54,462	\$ 554,132	\$ 434,370

See notes to combined financial statements.

LINCOLN PARK CHAMBER OF COMMERCE, INC.
SPECIAL SERVICE AREA #23
SPECIAL SERVICE AREA #35

COMBINED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

Years ended December 31,	2010					2009
	LPCC	SSA #23	SSA #35	Elimination	Total	Total
Revenues:						
Membership dues and sponsorships	\$ 134,157				\$ 134,157	\$ 142,300
Banner income	36,625				36,625	29,400
Events income	23,945				23,945	31,989
Government grant	73,297				73,297	81,675
Administrative income	137,768			\$ (127,768)	10,000	5,135
Advertising income	9,113				9,113	26,557
Festival income	10,000				10,000	7,500
Other income	727				727	630
Interest income	2,621				2,621	5,963
Cook county collection SSA #23		\$ 589,110			589,110	495,609
Cook county collection SSA #35			\$ 207,064		207,064	181,155
Total revenues	428,253	589,110	207,064	(127,768)	1,096,659	1,007,913
Expenses:						
Functional expenses:						
Government and community relations	95,894				95,894	100,431
Marketing	50,484				50,484	54,097
Member services	221,419				221,419	233,682
SSA #23 expenses		447,874		(88,445)	359,429	397,964
SSA #35 expenses			169,622	(39,323)	130,299	177,734
Total functional expenses	367,797	447,874	169,622	(127,768)	857,525	963,908
General and administrative expenses	46,313				46,313	50,172
Total expenses	414,110	447,874	169,622	(127,768)	903,838	1,014,080
Increase (decrease) in net assets	14,143	141,236	37,442		192,821	(6,167)
Net assets, beginning of year	172,601	105,986	17,020		295,607	301,774
Net assets, end of year	\$ 186,744	\$ 247,222	\$ 54,462	\$ -	\$ 488,428	\$ 295,607

See notes to combined financial statements.

LINCOLN PARK CHAMBER OF COMMERCE, INC.
SPECIAL SERVICE AREA #23
SPECIAL SERVICE AREA #35

COMBINED STATEMENT OF CASH FLOWS

Years ended December 31,	2010				2009
	LPCC	SSA #23	SSA #35	Total	Total
Operating activities:					
Increase (decrease) in net assets	\$ 14,143	\$ 141,236	\$ 37,442	\$ 192,821	\$ (6,167)
Adjustments to reconcile above to cash provided by (used in) operating activities:					
Depreciation	3,585			3,585	3,857
(Increase) decrease in operating assets:					
Accounts receivable, net	5,457	(90,971)	(31,478)	(116,992)	1,362
Prepaid expenses	(2,858)			(2,858)	
Increase (decrease) in operating liabilities:					
Accounts payable	(4,740)	8,154	(4,060)	(646)	(3,705)
Accrued interest		(538)	(250)	(788)	788
Deferred revenue	(103)			(103)	(13,114)
Cash provided by (used in) operating activities	15,484	57,881	1,654	75,019	(16,979)
Investing activity:					
Purchase of property and equipment	(757)			(757)	(6,593)
Cash used in investing activity	(757)			(757)	(6,593)
Financing activity:					
Line of credit, net		(44,581)	(26,940)	(71,521)	71,521
Cash provided by (used in) financing activity		(44,581)	(26,940)	(71,521)	71,521
Increase (decrease) in cash and cash equivalents	14,727	13,300	(25,286)	2,741	47,949
Cash and cash equivalents, beginning of year	200,056	138,717	44,321	383,094	335,145
Cash and cash equivalents, end of year	\$ 214,783	\$ 152,017	\$ 19,035	\$ 385,835	\$ 383,094
Supplemental disclosures of cash flow information:					
Cash paid during the year for:					
Interest			\$ 190	\$ 190	\$ 788
Income taxes	\$ 116			\$ 116	

See notes to combined financial statements.

LINCOLN PARK CHAMBER OF COMMERCE, INC.
SPECIAL SERVICE AREA #23
SPECIAL SERVICE AREA #35

NOTES TO COMBINED FINANCIAL STATEMENTS

1. Summary of significant accounting policies

Organization:

The Lincoln Park Chamber of Commerce, Inc. (LPCC) was founded in 1947 to conceive, design and implement programs and services that directly impact the success of its members; to act as a members' advocate and lead economic development efforts that sustain businesses in the Lincoln Park area of Chicago, Illinois.

Special Service Area #23 (SSA #23) and Special Service Area #35 (SSA #35) are taxing districts authorized by the City of Chicago to utilize tax revenues to enhance, beautify and maintain certain commercial areas within the specific boundaries serviced by LPCC. Tax revenues received by SSA # 23 and SSA #35 must be maintained in separate cash accounts.

SSA #23 encompasses the area on Clark St. from Armitage to Diversey and the south side of Diversey Parkway from Lakeview to Orchard Ave.

SSA #35 encompasses the area on Lincoln Ave. from Diversey Parkway to Webster Avenue.

Tax status:

LPCC is exempt from federal income taxes under Section 501(c)(6) of the Internal Revenue Code, except on net income derived from unrelated business activities. The LPCC sells advertising which is subject to tax on unrelated business income.

Basis of accounting:

The combined financial statements have been prepared on the accrual basis of accounting.

Principles of combination:

The combined financial statements include the accounts of the Lincoln Park Chamber of Commerce, Inc., Special Service Area #23 and Special Service Area #35. The administration of SSA #23 and SSA #35 are an integral part of LPCC's operations. All material inter-entity accounts and transactions have been eliminated in the combination.

LINCOLN PARK CHAMBER OF COMMERCE, INC.
SPECIAL SERVICE AREA #23
SPECIAL SERVICE AREA #35

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

1. Summary of significant accounting policies (continued)

Basis of presentation:

The combined financial statement presentation follows the Financial Accounting Standards Board (FASB) Accounting Standards Codification (the Codification) for *Financial Statements of Not-for-Profit Organizations*. Under the Codification, LPCC 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, 2010 and 2009, all assets were unrestricted.

Cash equivalents:

Cash equivalents include investments with maturities of three months or less at date of purchase and various money market mutual funds.

Trade accounts receivable:

Trade accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a charge to earnings and a credit to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to trade accounts receivable. Changes in the valuation allowance have not been material to the combined financial statements.

Property and equipment and related depreciation:

Property and equipment are stated at cost. LPCC provides for depreciation using the straight-line method over the estimated useful lives of the assets.

Revenue recognition:

LPCC receives membership dues applicable to one year membership periods. Income from membership dues are deferred until earned.

LPCC also receives advertising revenue in advance. Prepaid advertising revenue is deferred until earned.

Deferred revenue totaled \$52,398 and \$52,501 at December 31, 2010 and 2009, respectively.

LINCOLN PARK CHAMBER OF COMMERCE, INC.
SPECIAL SERVICE AREA #23
SPECIAL SERVICE AREA #35

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

1. Summary of significant accounting policies (continued)

Reclassifications:

Management fees between LPCC, SSA #23 and SSA #35 were eliminated for comparative purposes in the prior year combined financial statements to conform with the presentation in the current year combined financial statements.

Functional expenses:

Operating expenses directly identified with a functional area are charged to that area and expenses affecting more than one area are allocated among those benefited.

Use of estimates:

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

2. Related party transaction

LPCC is the sole service provider to SSA #23 and SSA #35, Taxing Districts authorized by the City of Chicago. LPCC is paid a management fee and is also reimbursed for ongoing administration expenses such as rent, utilities and postage.

The management fees for SSA #23 totaled \$88,445 and \$91,350 for December 31, 2010 and 2009, respectively.

The management fees for SSA #35 totaled \$39,232 and \$24,598 for December 31, 2010 and 2009, respectively.

LINCOLN PARK CHAMBER OF COMMERCE, INC.
SPECIAL SERVICE AREA #23
SPECIAL SERVICE AREA #35

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

3. Bank line of credit

SSA #23 has a \$75,000 line of credit with North Community Bank, which is collateralized by all the assets of the organization. The line, which matures on February 10, 2011, bears interest at the bank's prime rate plus 1% (4.25% at December 31, 2010) with a minimum rate of 6%. There was no balance outstanding at December 31, 2010. The balance outstanding at December 31, 2009 was \$44,581.

SSA #35 has a \$55,000 line of credit with North Community Bank, which is collateralized by all the assets of the organization. The line, which matures on Feb 10, 2011, bears interest at the bank's prime rate plus 1% (4.25% at December 31, 2010) with a minimum rate of 6%. There was no balance outstanding at December 31, 2010. The balance outstanding at December 31, 2009 was \$24,598.

4. Lease commitments

LPCC is obligated under an operating lease for its office space located in Chicago, Illinois. The lease expires on March 31, 2013.

Total rent expense for the years ended December 31, 2010 and 2009 was \$31,220 and \$37,653, respectively.

LPCC also leases equipment under various operating leases which expire between 2012 and 2015 and have monthly lease payments aggregating approximately \$438. Total rent expense included in operations under equipment leases was \$4,772 and \$4,426 for the years ended December 31, 2010 and 2009, respectively.

Future minimum lease payments are as follows:

Year ending December 31:	Office lease	Equipment leases	Total
2011	\$ 33,129	\$ 5,255	\$ 38,384
2012	34,123	1,936	36,059
2013	8,593	829	9,422
2014		829	829
2015		691	691
Total	\$ 75,845	\$ 9,540	\$ 85,385

**LINCOLN PARK CHAMBER OF COMMERCE, INC.
SPECIAL SERVICE AREA #23
SPECIAL SERVICE AREA #35**

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

5. Retirement plan

LPCC maintains a SIMPLE IRA plan covering all eligible employees. The matching contributions made to the plan were \$4,933 and \$5,462 for the years ended December 31, 2010 and 2009, respectively.

6. Subsequent events

Management of LPCC has reviewed and evaluated subsequent events from December 31, 2010, the combined financial statement date, through February 17, 2011, the date the combined financial statements were available to be issued. No events have occurred in this period that would be required to be recognized and/or disclosed in these combined financial statements as required by generally accepted accounting principles.

LINCOLN PARK CHAMBER OF COMMERCE, INC.

STATEMENT OF FUNCTIONAL EXPENSES

Years ended December 31,	2010			2009	
	Government and community relations	Marketing	Member services	Total program expenses	Total program expenses
Advertising					\$ 888
Banner expenses		\$ 4,094		\$ 4,094	4,188
Contributions	\$ 1,904			1,904	3,009
Depreciation	896	359	\$ 1,972	3,227	3,471
Insurance	2,706	1,082	5,953	9,741	15,966
Miscellaneous			670	670	1,483
Newsletter		5,687		5,687	6,543
Occupancy	7,805	3,122	17,171	28,098	36,741
Office expenses and postage:					
Other - office expense and postage	8,674	3,470	19,082	31,226	24,787
Credit card fees		618	2,470	3,088	3,565
Outside services	3,879	1,551	8,534	13,964	13,716
Payroll and staff expenses	70,030	28,011	154,065	252,106	255,211
Printing and design		225		225	140
Program expenses			11,502	11,502	15,754
Sponsorship		2,265		2,265	2,028
Tourism					720
Total functional expenses	\$ 95,894	\$ 50,484	\$ 221,419	\$ 367,797	\$ 388,210

**LINCOLN PARK CHAMBER OF COMMERCE, INC.
SPECIAL SERVICE AREA #23**

(A TAXING DISTRICT AUTHORIZED BY THE CITY OF CHICAGO)

STATEMENT OF ACTIVITIES – BUDGET AND ACTUAL

Years ended December 31,	2010			2009		
	Actual	Budget	Variance	Actual	Budget	Variance
Income:						
Estimated carryover		\$ 60,000	\$ (60,000)		\$ 209,000	\$ (209,000)
Interest	\$ 424		424	\$ 288		288
Tax levy income:						
2003 tax levy				(1,273)		(1,273)
2004 tax levy	(156)		(156)	(976)		(976)
2005 tax levy	(952)		(952)	(379)		(379)
2006 tax levy	(1,088)		(1,088)	(3,162)		(3,162)
2007 tax levy	928		928	19,425		19,425
2008 tax interest				136		136
2008 tax levy	10,951		10,951	481,550	490,350	(8,800)
2009 tax levy	578,945	578,945				
2009 tax interest	58		58			
Total tax levy income	588,686	578,945	9,741	495,321	490,350	4,971
Total income	589,110	638,945	(49,835)	495,609	699,350	(203,741)
Expenses:						
Estimated loss collection	3,305	47,000	(43,695)		24,000	(24,000)

LINCOLN PARK CHAMBER OF COMMERCE, INC.
SPECIAL SERVICE AREA #23

(A TAXING DISTRICT AUTHORIZED BY THE CITY OF CHICAGO)

STATEMENT OF ACTIVITIES – BUDGET AND ACTUAL (CONTINUED)

Years ended December 31,	2010			2009		
	Actual	Budget	Variance	Actual	Budget	Variance
Administrative expenses:						
Audit	\$ 3,000	\$ 3,000		\$ 2,625	\$ 2,500	\$ 125
Bank charges	668		\$ 668	1,635		1,635
Interest expense				538		538
Management fee	10,000	10,000		10,000	10,000	
Meeting expenses	750	750		750	750	
Office equipment lease and maintenance	3,780	3,780		3,150	3,150	
Office printing	1,050	1,050		1,050	1,050	
Office rent	8,820	8,820		8,820	8,820	
Office supplies	1,050	1,050		1,050	1,050	
Office utilities and telephone	2,940	2,940		2,730	2,730	
Postage and delivery	3,500	3,500		3,500	3,500	
Total administrative expenses	35,558	34,890	668	35,848	33,550	2,298
Advertising and promotion expenses:						
Display ads (signage)	12,903	22,000	(9,097)	6,111	50,000	(43,889)
Management fee	12,853	12,853		12,138	12,138	
Print material (newsletter)	5,894	15,000	(9,106)	8,350	10,000	(1,650)
Public relations and media services	39,344	52,500	(13,156)	19,058	20,000	(942)
Special events and sidewalk sales	50,130	50,000	130	32,213	45,000	(12,787)
Website	32,398	33,500	(1,102)			
Total advertising and promotion expenses	153,522	185,853	(32,331)	77,870	137,138	(59,268)
District planning expenses:						
Computer software	1,095	2,500	(1,405)			
District corridor plan				19,400	20,000	(600)
Management fee	800	800		2,312	2,312	
Total district planning expenses	1,895	3,300	(1,405)	21,712	22,312	(600)

LINCOLN PARK CHAMBER OF COMMERCE, INC.
SPECIAL SERVICE AREA #23

(A TAXING DISTRICT AUTHORIZED BY THE CITY OF CHICAGO)

STATEMENT OF ACTIVITIES – BUDGET AND ACTUAL (CONTINUED)

Years ended December 31,	2010			2009		
	Actual	Budget	Variance	Actual	Budget	Variance
Façade improvement expenses:						
Awning rebate program				\$ 16,375	\$ 20,000	\$ (3,625)
Façade enhancement program	\$ 12,435	\$ 12,500	\$ (65)	19,700	30,000	(10,300)
Management fee	4,819	4,819		5,202	5,202	
Total façade improvement expenses	17,254	17,319	(65)	41,277	55,202	(13,925)
Parking and transit expenses:						
Bicycle advocacy					8,000	(8,000)
Management fee	848	848		2,890	2,890	
Valet parking		5,000	(5,000)		20,000	(20,000)
Total parking and transit expenses	848	5,848	(5,000)	2,890	30,890	(28,000)
Public way aesthetics expenses:						
Holiday decorations	12,088	15,000	(2,912)	11,711	15,000	(3,289)
Landscaping	85,702	100,000	(14,298)	71,535	95,000	(23,465)
Management fee	13,924	13,924		17,340	17,340	
Street pole banners	8,077	10,000	(1,923)		10,000	(10,000)
Streetscape elements	214	10,000	(9,786)	45,481	55,000	(9,519)
Total public way aesthetics expenses	120,005	148,924	(28,919)	146,067	192,340	(46,273)
Public way maintenance expenses:						
Management fee	15,531	15,531		13,872	13,872	
Power washing	15,775	20,000	(4,225)	15,775	20,000	(4,225)
Sidewalk cleaning	45,699	80,000	(34,301)	47,425	75,000	(27,575)
Snow plowing and maintenance	12,750	50,000	(37,250)	40,500	45,000	(4,500)
Total public way maintenance expenses	89,755	165,531	(75,776)	117,572	153,872	(36,300)

**LINCOLN PARK CHAMBER OF COMMERCE, INC.
SPECIAL SERVICE AREA #23**

(A TAXING DISTRICT AUTHORIZED BY THE CITY OF CHICAGO)

STATEMENT OF ACTIVITIES – BUDGET AND ACTUAL (CONTINUED)

Years ended December 31,	2010			2009		
	Actual	Budget	Variance	Actual	Budget	Variance
Safety program expenses:						
Management fee	\$ 300	\$ 300		\$ 2,312	\$ 2,312	
Security rebate program		500	\$ (500)	25,000	25,000	
Total safety program expenses	300	800	(500)	27,312	27,312	
Tenant retention and attraction expenses:						
Management fee	4,480	4,480		1,734	1,734	
Property tenant relations	16,112	17,500	(1,388)	3,800	4,000	\$ (200)
Signage and façade guidelines				1,980	2,000	(20)
Site marketing materials	4,840	7,500	(2,660)	11,252	15,000	(3,748)
Total tenant retention and attraction expenses	25,432	29,480	(4,048)	18,766	22,734	(3,968)
Total expenses	447,874	638,945	(191,071)	489,314	699,350	(210,036)
Increase in net assets	141,236		141,236	6,295		6,295
Net assets, beginning of year	105,986		105,986	99,691		99,691
Net assets, end of year	\$ 247,222	\$ -	\$ 247,222	\$ 105,986	\$ -	\$ 105,986

**LINCOLN PARK CHAMBER OF COMMERCE, INC.
SPECIAL SERVICE AREA #23**

(A TAXING DISTRICT AUTHORIZED BY THE CITY OF CHICAGO)

SUMMARY OF AUDIT FINDINGS

YEAR ENDED DECEMBER 31, 2010

Summary schedule of findings

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 Planning and Development, we have read the requirements contained in the Agreement for Special Service Area #23 between the City of Chicago and Lincoln Park Chamber of Commerce, Inc.

Per Article 5.03, the Contractor (SSA #23) established a separate checking account at North Community Bank in Chicago, Illinois. All Service Tax Funds were automatically deposited into this checking account. The Contractor did not commingle Service Tax Funds with funds from any other source.

Based on our understanding of the agreement and the facts surrounding the performance under the agreement, we noted no exceptions. Many contractual items were included in the agreement which dealt with non-accounting and non-financial matters of which we had no knowledge.

**LINCOLN PARK CHAMBER OF COMMERCE, INC.
SPECIAL SERVICE AREA #35**

(A TAXING DISTRICT AUTHORIZED BY THE CITY OF CHICAGO)

STATEMENT OF ACTIVITIES – BUDGET AND ACTUAL

Years ended December 31,	2010			2009		
	Actual	Budget	Variance	Actual	Budget	Variance
Income:						
Estimated carryover		\$ 31,500	\$ (31,500)		\$ 46,000	\$ (46,000)
Interest	\$ 48		48	\$ 183		183
Tax levy income:						
2005 tax levy				(612)		(612)
2006 tax levy				(1,679)		(1,679)
2007 tax levy	(743)		(743)	5,452		5,452
2007 tax interest	(24)		(24)			
2008 tax levy	9,649		9,649	177,732	186,398	(8,666)
2008 tax interest	(6)		(6)	79		79
2009 tax levy	198,123	198,123				
2009 tax interest	17		17			
Total tax levy income	207,016	198,123	8,893	180,972	186,398	(5,426)
Total income	207,064	229,623	(22,559)	181,155	232,398	(51,243)
Expenses:						
Estimated loss collection		17,000	(17,000)		10,000	(10,000)
Advertising and promotion expenses:						
Management fee	350	350		1,148	1,148	
Public relations and media services				823	3,000	(2,177)
Website	799	500	299			
Total advertising and promotion expenses	1,149	850	299	1,971	4,148	(2,177)

**LINCOLN PARK CHAMBER OF COMMERCE, INC.
SPECIAL SERVICE AREA #35**

(A TAXING DISTRICT AUTHORIZED BY THE CITY OF CHICAGO)

STATEMENT OF ACTIVITIES – BUDGET AND ACTUAL (CONTINUED)

Years ended December 31,	2010			2009		
	Actual	Budget	Variance	Actual	Budget	Variance
Administrative expenses:						
Audit and bookkeeping	\$ 3,000	\$ 3,000		\$ 2,625	\$ 2,500	\$ 125
Bank charges	453		\$ 453	838		838
Interest expense	190		190	250		250
Management fee	4,220	4,220				
Meeting expenses	250	250		250	250	
Office equipment lease and maintenance	1,620	1,620		1,350	1,350	
Office rent	3,780	3,780		3,780	3,780	
Office supplies	450	450		450	450	
Office utilities and telephone	1,260	1,260		1,170	1,170	
Postage	1,000	1,000		1,000	1,000	
Printing	450	450		450	450	
Total administrative expenses	16,673	16,030	643	12,163	10,950	1,213
Public way aesthetics expenses:						
Holiday decorations	11,772	12,000	(228)	16,370	10,000	6,370
Landscaping	66,041	70,000	(3,959)	71,985	80,000	(8,015)
Management fee	11,413	11,413		6,300	6,300	
Property insurance		800	(800)		800	(800)
Streetscape purchase and install				793	16,000	(15,207)
Total public way aesthetics expenses	89,226	94,213	(4,987)	95,448	113,100	(17,652)

**LINCOLN PARK CHAMBER OF COMMERCE, INC.
SPECIAL SERVICE AREA #35**

(A TAXING DISTRICT AUTHORIZED BY THE CITY OF CHICAGO)

STATEMENT OF ACTIVITIES – BUDGET AND ACTUAL (CONTINUED)

Years ended December 31,	2010			2009		
	Actual	Budget	Variance	Actual	Budget	Variance
Public way maintenance expenses:						
Management fee	\$ 11,530	\$ 11,530		\$ 6,200	\$ 6,200	
Power washing	8,975	12,000	\$ (3,025)	11,560	15,000	\$ (3,440)
Sidewalk cleaning	24,077	55,000	(30,923)	54,990	53,000	1,990
Snow plowing and maintenance	17,992	23,000	(5,008)	20,000	20,000	
Total public way maintenance expenses	62,574	101,530	(38,956)	92,750	94,200	(1,450)
Total expenses	169,622	229,623	(60,001)	202,332	232,398	(30,066)
Increase (decrease) in net assets	37,442		37,442	(21,177)		(21,177)
Net assets, beginning of year	17,020		17,020	38,197		38,197
Net assets, end of year	\$ 54,462	\$ -	\$ 54,462	\$ 17,020	\$ -	\$ 17,020

**LINCOLN PARK CHAMBER OF COMMERCE, INC.
SPECIAL SERVICE AREA #35**

(A TAXING DISTRICT AUTHORIZED BY THE CITY OF CHICAGO)

SUMMARY OF AUDIT FINDINGS

YEAR ENDED DECEMBER 31, 2010

Summary schedule of findings

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 Planning and Development, we have read the requirements contained in the Agreement for Special Service Area #35 between the City of Chicago and Lincoln Park Chamber of Commerce, Inc.

Per Article 5.03, the Contractor (SSA #35) established a separate checking account at North Community Bank in Chicago, Illinois. All Service Tax Funds were automatically deposited into this checking account. The Contractor did not commingle Service Tax Funds with funds from any other source.

Based on our understanding of the agreement and the facts surrounding the performance under the agreement, we noted no exceptions. Many contractual items were included in the agreement which dealt with non-accounting and non-financial matters of which we had no knowledge.