

City of Chicago Department of Planning and Development

Special Service Area (SSA) Program

Audit Report Package Transmittal Checklist

This checklist must be completed and submitted with audit report package to City's Department of Planning and Development (DPD) via DPD's SharePoint platform. Note: Effective with 2019 audit report package submissions e-mail submissions are not an acceptable form of transmittal and report packages will be deemed "not submitted" unless they are uploaded into CPD's SharePoint platform. For each SSA submission enter the starting page number for each of the PDF audit report package components listed below. Each required component on the checklist must have a numeric page number, unless otherwise noted.

2024 AUDIT

SSA Name and number: SSA 79 Pulaski Elston

SSA Provider Name: Pulaski Elston Business Association

Submission Date: JUNE 5, 2025

Starting PDF Page Number	Audit Report Package Components
	Comparative Financial Statements
7	1. Statement of Net Position and Governmental Fund Balance Sheet – Current Year
7	2. Statement of Net Position and Governmental Fund Balance Sheet – Prior Year
8	3. Statement of Activities and Governmental Fund Revenues, Expenditures and Changes in Fund Balance – Current Year
8	4. Statement of Activities and Governmental Fund Revenues, Expenditures and Changes in Fund Balance – Prior Year
14-15	5. Schedules of Revenues and Expenditures – Budget and Actual
4-6	Auditor's Opinion on Financial Statements
16	Schedule of Findings – Current and Prior Year, if applicable
16	Corrective Action Plan – Current and Prior Year, if applicable (if findings)*
17	Audit Firm CPA License
18	SSA Budget Summary page for the latest modified/amended budget approved by your SSA commission (for current audit period)
19	Completed Line of Credit Disclosure
Separate PDF file attached – Yes/No	SSA Detailed SSA Commission Approved Budget
	Note: SSA Service Provider must submit detailed budget corresponding to Summary page, noted above, with audit report package.

**required if findings exist*

Special Service Area 79
(a taxing district authorized by the City of Chicago)
Managed by Pulaski Elston Business Association

Financial Statements
December 31, 2024 and 2023

Special Service Area 79
Managed by Pulaski Elston Business Association
Financial Statements

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Independent Auditor's Report

To the Commissioners of
Special Service Area 79
Managed by Pulaski Elston Business Association

Opinion

We have audited the accompanying financial statements of Special Service Area 79 (SSA 79) (a taxing district authorized by the City of Chicago) which comprise the SSA 79 basic financial statements as listed in the table of contents as of and for the years ended December 31, 2024 and 2023, and the related notes to the financial statements. In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of SSA 79 as of December 31, 2024 and 2023, and the changes in its fund balance/net position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis of Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of SSA 79 and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management 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. In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about SSA 79's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore it is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 SSA 79's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events considered in the aggregate that raise substantial doubt about SSA 79's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Other Matters

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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedules of revenues and expenditures - budget and actual on page 10 and 11, are presented for comparison and analysis purposes only. The completed line of credit disclosure was prepared by the SSA 79 service provider, Pulaski Elston Business Association. Our firm did not prepare or audit this disclosure. This disclosure is part of the supplementary information on page 15. The supplementary information is not a required part of the basic financial statements. We have not performed any auditing procedures on the budget amounts and therefore express no opinion on them.

Almanza & Coombes CPAs PLLC

Almanza & Coombes CPAs PLLC

Chicago, Illinois
May 31, 2025

Statements of Net Position and Governmental Fund Balance Sheet December 31, 2024 and 2023						
	2024			2023		
	Governmental Fund	Adjustments	Statement of Net Position	Governmental Fund	Adjustments	Stat Net
SETS						
Cash equivalents	\$ 76,392	\$ -	\$ 76,392	\$ 92,820	\$ -	\$
Accounts receivable, net of allowance	304,989	-	304,989	298,846	-	
Assets	<u>\$ 381,381</u>	<u>\$ -</u>	<u>\$ 381,381</u>	<u>\$ 391,666</u>	<u>\$ -</u>	<u>\$</u>
LIABILITIES						
Accounts payable	\$ 22,023	\$ -	\$ 22,023	\$ 2,781	\$ -	\$
Liabilities	22,023	-	22,023	2,781	-	
DEFERRED INFLOWS						
Property tax revenue	304,989	(304,989)	-	298,846	(298,846)	
Deferred Inflows	304,989	(304,989)	-	298,846	(298,846)	
DEFERRED BALANCE / NET POSITION						
Deferred	54,369	(54,369)	-	90,039	(90,039)	
Fund Balance	54,369	(54,369)	-	90,039	(90,039)	
Liabilities, Deferred Inflows and Fund Balance	<u>\$ 381,381</u>			<u>\$ 391,666</u>		
Unrestricted		<u>\$ (359,358)</u>	<u>\$ 359,358</u>		<u>\$ (388,885)</u>	<u>\$</u>
Differences reported for government activities in the statement of net position are different because:						
Fund balance - governmental funds			\$ 54,369			\$
Property tax revenue is recognized in the period for which levied rather than when available." A portion of the property tax is deferred as it is not available in the governmental funds.			<u>304,989</u>			
Statement of net position - governmental activities			<u>\$ 359,358</u>			<u>\$</u>

Statements of Activities and Governmental Fund, Revenues, Expenditures and Changes in Fund Balance For the Years Ended December 31, 2024 and 2023						
	2024			2023		
	Governmental Fund	Adjustments	Statement of Activities	Governmental Fund	Adjustments	S
REVENUES						
Interest on investments and interest	\$ 307,867	\$ 6,143	\$ 314,010	\$ 289,024	\$ 438	\$
Revenues	307,867	6,143	314,010	289,024	438	
EXPENDITURES						
Administration	44,763	-	44,763	70,062	-	
Esthetics	208,887	-	208,887	172,617	-	
Libraries and public places	-	-	-	4,468	-	
Business development	-	-	-	-	-	
Fire and safety programs	-	-	-	3,261	-	
Police department	27,439	-	27,439	27,401	-	
	62,448	-	62,448	49,340	-	
Expenditures	343,537	-	343,537	327,149	-	
(Increase) of Other expenditures	(35,670)	6,143	(29,527)	(38,125)	438	
Net Position	(35,670)	6,143	(29,527)	(38,125)	438	
Change/Net Position						
For the Year	90,039	298,846	388,885	128,164	298,408	
For the Year	\$ 54,369	\$ 304,989	\$ 359,358	\$ 90,039	\$ 298,846	\$
Reported for governmental activities in the statement of activities is different because:						
Change in Fund balance - governmental funds			\$ (35,670)			\$
Expenses recognized in the year it is levied rather than when it is available						
Governmental funds			6,143			
Net Position			\$ (29,527)			\$

Special Service Area 79
(a taxing district authorized by the City of Chicago)
Managed by Pulaski Elston Business Association
Notes to Financial Statements
December 31, 2024 and 2023

NOTE 1 – Nature of Activities and Reporting Entity

Special Service Area 79 (“SSA 79”) 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 Pulaski Elston business and residential areas. The SSA is funded by property taxes levied on properties within the SSA boundaries, which are collected by the Cook County Treasurer, and then distributed by the City of Chicago to the SSA.

Special Service Area 79 is governed by a Commission whose members are appointed by the Mayor of Chicago. The City of Chicago contracted with Pulaski Elston Business Association to perform administrative duties as the service provider for this SSA during the reporting period. Pulaski Elston Business Association is an Illinois not-for-profit corporation that is exempt from federal taxes under Section 501(c)6 of the Internal Revenue Code.

SSA 79 serves the property owners, businesses and residents that live/work within the approved geographic area. This area is generally Lawrence from Kentucky Avenue east to Pulaski, Pulaski on both sides to Wilson and then continues South on the west side of Pulaski to Elston. Then, Elston from Harding north to Lawrence. Additionally, the area includes Montrose from Pulaski west to Keeler.

NOTE 2 – Summary of Significant Accounting Policies

a. Government-Wide and Fund Financial Statements

The financial statements of SSA 79 have been prepared in conformity with accounting principles generally accepted in United States of America as applied to governmental units, hereinafter referred to as GAAP (generally accepted accounting principles). The accepted standard-setting body for establishing governmental accounting and financial reporting principles is GASB (the Governmental Accounting Standards Board). The SSA accounts for its activities in one fund, its general fund.

b. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using 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 in which they are levied.

Special Service Area 79
(a taxing district authorized by the City of Chicago)
Managed by Pulaski Elston Business Association
Notes to Financial Statements
December 31, 2024 and 2023

NOTE 2 – Summary of Significant Accounting Policies – (continued)

The governmental fund financial statements are prepared on the modified accrual basis of accounting with only current assets and liabilities included on the balance sheet. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, both measurable and available to finance expenditures of the current period. Available means collected within the current period or soon enough thereafter to be used to pay liabilities of the current period. Property taxes are susceptible to accrual and recognized as receivable in the year levied. Revenue recognition is deferred unless the taxes are received within 60 days subsequent to year-end. Expenditures are recorded when the liability is incurred.

The preparation of financial statements in conformity with generally accepted accounting principles 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 the reported amounts of revenues and expenditures/expenses during the reported period. Actual results could differ from those estimates.

c. Assets, Liabilities, and Net Position

Cash and cash equivalents

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

Receivables

All property tax receivables are shown net of allowances. As of December 31, 2024 and 2023, the allowance for uncollectible property taxes is \$9,211 and \$9,211, approximately 3% of collectible levy.

Fund Equity/Net Position

Governmental fund equity is classified as fund balance. Fund balance is further classified as nonspendable, restricted, committed, assigned, or unassigned. Nonspendable fund balance cannot be spent because of its form. Restricted fund balance has limitations imposed by the SSA board through approval of resolutions. Assigned fund balance is a limitation imposed by a designee of the SSA 79 board. Unassigned fund balance is the

Special Service Area 79
(a taxing district authorized by the City of Chicago)
Managed by Pulaski Elston Business Association
Notes to Financial Statements
December 31, 2024 and 2023

NOTE 2 – Summary of Significant Accounting Policies – (continued)

c. Assets, Liabilities, and Net Position – (continued)

Fund Equity/Net Position – (continued)

net resources in excess of what can be properly classified in one of the above four categories. When both restricted and unrestricted fund balances are available for use, it is the SSA's policy to use restricted fund balance first, then unrestricted fund balance. Furthermore, committed fund balance is reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications can be used.

For the government-wide financial statements, net position is reported as invested in capital assets net of related debt, restricted or unrestricted. Invested in capital assets, net of related debt, if applicable, is comprised of the net capital asset balance less any related debt. Restricted net position is when restrictions are placed on net assets from 1) externally imposed by creditors, grantors, contributors, or laws, or regulations of other governments or 2) imposed by law through constitutional provisions or enabling legislation. The remaining net position is classified as unrestricted.

d. Subsequent Events

Subsequent events have been evaluated through May 31, 2025, which is the date the financial statements were available to be issued.

NOTE 3 – Cash and cash equivalents

The SSA 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 SSA maintains its cash balance in a financial institution located in Chicago, IL. The balance is insured by the Federal Deposit Insurance Corporation up to \$250,000. The SSA's cash balance did not exceed the insurance level during 2024 and 2023.

NOTE 4 – Property taxes

The SSA's principal source of revenue is from real estate taxes levied on certain property located in its boundaries. 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

Special Service Area 79
(a taxing district authorized by the City of Chicago)
Managed by Pulaski Elston Business Association
Notes to Financial Statements
December 31, 2024 and 2023

NOTE 4 – Property taxes – (continued)

the subsequent year. The first installment is an estimate based on the prior year billed levy (55%) and is due March. The second installment is due in August 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 the County. Bills are issued and collected by Cook County who remits the SSA's share to the City who then remits the monies to SSA 79.

NOTE 5 – Deferred Inflows of Revenue

A deferred inflow of property tax revenue represents an acquisition of fund balance that applies to a future period and therefore will not be recognized as an inflow of revenue until that future time.

NOTE 6 – Fund Equity/Net Position

The SSA is required to present information regarding its financial position and activities according to the Agreement for Special Service Area 79 between the City of Chicago and Pulaski Elston Business Association. As of December 31, 2024 and 2023, the SSA had carryover fund balances of \$54,369 and \$90,039, respectively. This fund balance will be utilized in this special service area during future years.

NOTE 7 – Related Party Transactions

SSA 79 is affiliated with Pulaski Elston Business Association as its service provider. Special service area 79 shares office space, equipment, and employees through this affiliation. Special Service Area 79 has no employees of their own but reimburses Pulaski Elston Business Association for payroll and related operation costs \$89,887 and \$72,673, during the years ended December 31, 2024, and 2023, respectively. At December 31, 2024, and 2023, Due to Pulaski Elston Business Association was \$0 and \$0, respectively.

NOTE 8 – Accounts Payable

Accounts payable balance at December 31, 2024, and 2023, is \$22,023 and \$2,781, respectively. These balances consist of expenses/services incurred during the respective years related to sidewalk maintenance and snow removal.

Supplementary Information

Special Service Area Number 79
Managed by Pulaski Elston Business Association
Schedule of Revenues and
Expenditures - Budget and Actual
December 31, 2024

	Budget	Actual	Variance
REVENUE			
Property taxes and interest	\$ 308,057	\$ 307,867	\$ 190
Total Revenues	308,057	307,867	190
EXPENDITURES			
Customer attraction	48,100	44,763	3,337
Public way aesthetics	218,211	208,887	9,324
Sustainability and public places	7,000	-	7,000
Economic business development	-	-	-
Public health and safety programs	-	-	-
SSA management	27,450	27,439	11
Personnel	64,296	62,448	1,848
Total Expenditures	365,057	343,537	21,520
Excess/(deficit) of revenues over expenditures	\$ (57,000)	\$ (35,670)	\$ (21,330)
CARRYOVER			
	57,000	-	57,000
Net revenue in excess/(deficit) of expenditures	\$ -	\$ (35,670)	\$ 35,670

See notes to the financial statements and independent auditor's report

Special Service Area Number 79
Managed by Pulaski Elston Business Association
Schedule of Revenues and
Expenditures - Budget and Actual
December 31, 2023

	Budget	Actual	Variance
REVENUE			
Property taxes and interest	\$ 298,408	\$ 289,024	\$ 9,384
Total Revenues	298,408	289,024	9,384
EXPENDITURES			
Customer attraction	93,000	70,062	22,938
Public way aesthetics	169,000	172,617	(3,617)
Sustainability and public places	10,000	4,468	5,532
Economic business development	-	-	-
Public health and safety programs	10,000	3,261	6,739
SSA management	28,200	27,401	799
Personnel	59,208	49,340	9,868
Total Expenditures	369,408	327,149	42,259
Excess/(deficit) of revenues over expenditures	\$ (71,000)	\$ (38,125)	\$ (32,875)
CARRYOVER			
	71,000	-	71,000
Net revenue in excess/(deficit) of expenditures	\$ -	\$ (38,125)	\$ 38,125

See notes to the financial statements and independent auditor's report

Special Service Area 79
(a taxing district authorized by the City of Chicago)
Managed by Pulaski Elston Business Association
Summary Schedule of Findings
For the Year Ended December 31, 2024

As part of our audit and request by the Special Service Area Annual Audited Financial and Accounting Guide, prepared by the City of Chicago Department of Planning and Development, we have read and understand the requirements contained in the Agreement for Special Service Area 79, between the City of Chicago and Pulaski Elston Business Association.

CURRENT YEAR FINDINGS:

No findings

CORRECTIVE ACTION PLAN:

Not applicable

PREVIOUS YEAR FINDING – Initial Year of SSA:

We noted that the Public Way Aesthetics actual expense exceeded budget.

CORRECTIVE ACTION PLAN:

Management and SSA Commissioners will closely monitor actual expense categories versus their budgets and make necessary budget modifications as needed.

Special Service Area 79
(a taxing district authorized by the City of Chicago)
Managed by Pulaski Elston Business Association
State of Illinois Professional CPA License
December 31, 2024



Special Service Area 79
(a taxing district authorized by the City of Chicago)
Managed by Pulaski Elston Business Association
Budget
December 31, 2024

Special Service Area # 79

SSA Name: Lawrence/Pulaski/Elston

2024 BUDGET SUMMARY

Budget and Services Period: January 1, 2024 through December 31, 2024

		2023 Levy		Carryover Funds	TIF Rebate Fund #	Estimated Late Collections and Interest	Total All Sources
CATEGORY (Funded Categories Comprise Scope of Services)		Collectable Levy	Estimated Loss Collection				
1.00 Customer Attraction		\$48,100	\$0	\$0	\$0	\$0	\$48,100
2.00 Public Way Aesthetics		\$154,000	\$9,211	\$55,000	\$0	\$0	\$218,211
3.00 Sustainability and Public Places		\$5,000	\$0	\$2,000	\$0	\$0	\$7,000
4.00 Economic/ Business Development		\$0	\$0	\$0	\$0	\$0	\$0
5.00 Public Health and Safety Programs		\$0	\$0	\$0	\$0	\$0	\$0
6.00 SSA Management		\$27,450	\$0	\$0	\$0	\$0	\$27,450
7.00 Personnel		\$64,296	\$0		\$0	\$0	\$64,296
	Sub-total	\$298,846	\$9,211				
GRAND TOTALS	Levy Total	\$308,057		\$57,000	\$0	\$0	\$365,057

LEVY ANALYSIS

Estimated 2023 EAV:	\$57,035,401
Authorized Tax Rate Cap:	1.500%
Maximum Potential Levy limited by Rate Cap:	\$855,531
Requested 2023 Levy Amount:	\$308,057
Estimated Tax Rate to Generate 2022 Levy:	0.5401%

LEVY CHANGE FROM PREVIOUS YEAR

2022 Levy Total (in 2023 budget)	\$298,408
2023 Levy Total (in 2024 budget)	\$308,057
Percentage Change	3.23%
Community meeting required if levy amount increases greater than 5% from previous levy.	

CARRYOVER CALCULATION

2023 Budget Total	\$369,408
Carryover request for 2024	\$57,000
Percentage	15.430%
Must be less than 25%	

