

SPECIAL SERVICE AREA #13
Back of the Yards Neighborhood Council, Contractor
Financial Statements and
Supplementary Information
For the Years Ended December 31, 2025 and 2024

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Cary J. Hall & Associates, LLC
Certified Public Accountants & Consultants

SPECIAL SERVICE AREA #13
Back of the Yards Neighborhood Council, Contractor

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CARY J. HALL & ASSOCIATES, LLC

Certified Public Accountants & Consultants

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Independent Auditor's Report

To the Board of Directors - Commissioners of Special Service Area #13
Back of the Yards Neighborhood Council, Contractor
Chicago, IL

Opinion

We have audited the accompanying financial statements of the governmental activities and each major fund of **CITY OF CHICAGO SPECIAL SERVICE AREA #13** ("SSA #13") a taxing district authorized by the City of Chicago, as of and for the years ended December 31, 2025 and 2024 and the related notes to the financial statements, which collectively comprise SSA #13's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the respective financial position of governmental activities and each major fund of SSA #13 as of December 31, 2025 and 2024, and the respective changes in financial position and, where applicable, for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits 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 #13 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 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, and for 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 #13's ability to continue as a going concern for twelve (12) months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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 is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists.

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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 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 #13 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 #13'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.

Emphasis of Matter

As discussed in Note 1, the financial statements of SSA #13 are intended to present the financial position and the changes in financial position of only that portion of the governmental activities and major fund of SSA #13 that is attributable to the transactions of SSA #13. They do not purport to, and do not present fairly the financial position of the City of Chicago as of December 31, 2025 and 2024 and the changes in its activities for the years then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Required Supplementary Information

Management has omitted the management discussion and analysis (MD&A) 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 (GASB), 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.

Accounting principles generally accepted in the United States of America require that the statements of revenues and expenditures-budget and actual be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by GASB 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.

Required Supplementary Information - Continued

We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient to evidence to express an opinion or provide any assurance.

Cary J. Hall & Associates, LLC

Cary J. Hall & Associates, LLC
Chicago, Illinois
May 23, 2026

SPECIAL SERVICE AREA #13
Back of the Yards Neighborhood Council, Contractor
Statements of Net Position and Governmental Fund Balance Sheets
December 31, 2025 and 2024

	2025		2024		Statement of Net Position
	Governmental Fund	Adjustments	Governmental Fund	Adjustments	
ASSETS					
Cash and cash equivalents	\$ 60,158	\$ -	\$ 60,158	\$ -	\$ 734,293
Real estate taxes receivable, less allowance for uncollectible taxes of \$290,000 for 2025 and 2024, respectively	1,859,441	-	1,859,441	-	1,316,402
Total Assets	<u>\$ 1,919,599</u>	<u>\$ -</u>	<u>\$ 1,919,599</u>	<u>\$ -</u>	<u>\$ 2,050,695</u>
LIABILITIES					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Total Liabilities	-	-	-	-	-
DEFERRED INFLOWS					
Deferred property tax revenue	1,226,139	(1,226,139)	-	(1,175,533)	-
FUND BALANCE/NET POSITION					
Unassigned	693,460	(693,460)	-	(875,162)	-
Total Fund Balance	<u>693,460</u>	<u>(693,460)</u>	<u>-</u>	<u>(875,162)</u>	<u>-</u>
Total Liabilities, Deferred Inflows and Fund Balance	<u>\$ 1,919,599</u>		<u>\$ 2,050,695</u>		
Net Position - Unrestricted		<u>\$ (1,919,599)</u>	<u>\$ 1,919,599</u>		<u>\$ (2,050,695)</u>
Amount reported for governmental activities in the statement of net position are different because:					
Total fund balance - governmental fund		\$	693,460		\$ 875,162
Property tax revenue is recognized in the period it is levied rather than when "available". A portion of the property tax is deferred as it is not available in the governmental funds.			1,226,139		1,175,533
Total Net Position - governmental activities		<u>\$ 1,919,599</u>			<u>\$ 2,050,695</u>

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The accompanying notes are an integral part of the financial statements.

SPECIAL SERVICE AREA #13
Back of the Yards Neighborhood Council, Contractor

Statements of Activities and Governmental Fund Revenues,
 Expenditures and Changes in Fund Balance
 For the Years Ended December 31, 2025 and 2024

	2025			2024		
	Governmental Fund	Adjustments	Statement of Activities	Governmental Fund	Adjustments	Statement of Activities
REVENUES						
Property revenues and interest	\$ 1,036,341	\$ 50,606	\$ 1,086,947	\$ 1,232,199	\$ 40,490	\$ 1,272,689
TIF rebates	296,748	-	296,748	617,826	-	617,826
Total Revenues	<u>1,333,089</u>	<u>50,606</u>	<u>1,383,695</u>	<u>1,850,025</u>	<u>40,490</u>	<u>1,890,515</u>
EXPENDITURES/EXPENSES						
Customer attraction	36,677	-	36,677	40,976	-	40,976
Public way aesthetics	138,627	-	138,627	482,639	-	482,639
Sustainability and public places	6,639	-	6,639	6,600	-	6,600
Economic / business development	69,930	-	69,930	121,051	-	121,051
Safety Programs	601,827	-	601,827	501,249	-	501,249
Personnel	588,110	-	588,110	175,848	-	175,848
SSA Management	72,981	-	72,981	70,212	-	70,212
Total Expenditures/ Expenses	<u>1,514,791</u>	<u>-</u>	<u>1,514,791</u>	<u>1,398,575</u>	<u>-</u>	<u>1,398,575</u>
Excess of Revenues over (under) Expenses	<u>(181,702)</u>	<u>50,606</u>	<u>(131,096)</u>	<u>451,450</u>	<u>40,490</u>	<u>491,940</u>
Change in Net Position	<u>(181,702)</u>	<u>50,606</u>	<u>(131,096)</u>	<u>451,450</u>	<u>40,490</u>	<u>491,940</u>
FUND BALANCE/NET POSITION						
Beginning of Year	875,162	1,175,533	2,050,695	423,712	1,135,043	1,558,755
End of year	<u>\$ 693,460</u>	<u>\$ 1,226,139</u>	<u>\$ 1,919,599</u>	<u>\$ 875,162</u>	<u>\$ 1,175,533</u>	<u>\$ 2,050,695</u>

Amount reported for governmental activities in the statement of activities are different because:

Net change in fund balance - governmental fund	\$ (181,702)	\$ 451,450
Property tax revenue is recognized in the year it is available rather than when it is levied for governmental funds	50,606	40,490
Change in Net Position	<u>\$ (131,096)</u>	<u>\$ 491,940</u>

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The accompanying notes are an integral part of the financial statements.

SPECIAL SERVICE AREA #13
Back of the Yards Neighborhood Council, Contractor
Notes to Financial Statements
December 31, 2025 and 2024

NOTE 1 - NATURE OF ACTIVITIES AND REPORTING ENTITY

Special Service Area ("SSA") #13 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 Stockyards Industrial Park. 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 #13 is governed by a Commission whose members are appointed by the Mayor of the City of Chicago. The City of Chicago contracted with the Back of the Yards Neighborhood Council to perform administrative duties as the service provider for this SSA during the reporting period. Back of the Yards Neighborhood Council is Illinois not-for-profit corporation that is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the SSA have been prepared in conformity with accounting principles generally accepted in the 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.

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 revenue in the year in which they are levied.

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, i.e., 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 a 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.

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SPECIAL SERVICE AREA #13
Back of the Yards Neighborhood Council, Contractor
Notes to Financial Statements
December 31, 2025 and 2024

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

The presentation of financial statements in conformity with accounting principles general 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 reporting period. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents - Cash and cash equivalents are defined 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 Organization maintains its cash in bank accounts, which, at times, may exceed the federally insured limits. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash and cash equivalents. The Organization has established a separate checking account and all tax revenue funds are automatically deposited into this checking account. The Contractor did not commingle Service Tax funds with funds from any other source.

Fund Equity/Net Position - Governmental fund equity is classified as fund balance. Fund balance is further classified as non-spendable, restricted, committed, assigned or unassigned. Non-spendable fund balance cannot be spent because of its form. Restricted fund balance has limitations imposed by enabling legislation or an outside party. Committed fund balance is a limitation imposed by the SSA board through approval of resolutions. Assigned fund balance is a limitation imposed by a designee of the SSA board. Unassigned fund balance is the 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 balances first, then unrestricted fund balances. 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.

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SPECIAL SERVICE AREA #13
Back of the Yards Neighborhood Council, Contractor
Notes to Financial Statements
December 31, 2025 and 2024

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Special Service Area Agreement - The City of Chicago has established a special service area known and designated as "Special Service Area #13" to provide special services in addition to those services generally provided by the City.

Back of the Yards Neighborhood Council has been designated as "Contractor" under terms of the agreement. The City has authorized a levy not to exceed 2.5% of the equalized assessed value of all property within the area to produce sufficient revenues to provide those special services.

Date of Management's Review - Management has evaluated subsequent events through May 23, 2026, the date on which the financial statements were available to be issued.

NOTE 3 - CONCENTRATIONS

The Special Service Area receives 100% of its operating support from revenues collected from taxes levied or imposed upon property within the area.

NOTE 4 - 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 estimate based on the 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 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 the SSA.

NOTE 5 - FUND / NET POSITION

The SSA is required to present information regarding its financial position and activities according to the Agreement for Special Service Area #13 between the City of Chicago and Back of the Yards Neighborhood Council. As of December 31, 2025, and 2024, the SSA had total fund balances of \$693,460 and \$875,162, respectively. These funds will be utilized in this special service area during future years.

NOTE 6 - 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.

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SPECIAL SERVICE AREA #13
Back of the Yards Neighborhood Council, Contractor
Notes to Financial Statements
December 31, 2025 and 2024

NOTE 7 - RELATED PARTY TRANSACTIONS

The SSA is affiliated with Special Service Area Numbers 7, 10, 39 and Back of the Yards Neighborhood Council. SSA #13 does not have any employees of its own, but reimburses the Council for a portion of its operating expenses. SSA #13 reimbursed the Council \$679,016 and \$511,126 for shared expenses during the years ended December 31, 2025 and 2024, respectively.

NOTE 8 - BUDGETARY INFORMATION

SSA #13 adheres to the following process in establishing the budgetary data reflected in the statements:

- * By mid-March the SSA manager submits to SSA #13's Board of Commissioners a proposed operating budget for the following year commencing January 1. The operating budget includes proposed expenditures/expenses and the means of financing them.
- * By mid-July the final budget is submitted to the City of Chicago for review and approval.
- * During December the budget is legally enacted through passage of an appropriation ordinance.
- * The SSA #13 is authorized to make budget revisions however they cannot alter the total expenditures within the assigned expenses categories within the general fund and must be approved by SSA #13 Board of Commissioners.
- * Formal budgetary integration is employed as a management control device during the year.
- * A budget for the General Fund is adopted on a basis consistent with US GAAP .
- * The SSA #13 budgets revenue, expenditures/expenses and transfers based on anticipated funds to be received. Budgets reflect gains or losses, by fund, for each fiscal year.

The Special Service Area receives 100% of its operating support from revenues collected from taxes levied or imposed upon property within the area.

NOTE 9 - LITIGATION, RISK & CONTINGENCIES

In the normal course of business, the Council (including SSA #13) may be named as a defendant in various legal actions. As of May 23, 2026, the Council is not aware of any pending litigation or other loss contingencies that would require recognition or disclosure of any contingent liabilities in the SSA #13 financial statements at December 31, 2025 and 2024.

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SUPPLEMENTARY INFORMATION

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SPECIAL SERVICE AREA #13

Back of the Yards Neighborhood Council, Contractor

Schedules of Revenue and Expenditures - Budget and Actual

For the Years Ended December 31, 2025 and 2024


	2025			2024		
	Budget	Actual	Variance	Budget	Actual	Variance
REVENUES						
Real estate taxes	\$ 1,226,139	\$ 1,036,341	\$ 189,798	\$ 1,242,349	\$ 1,232,199	\$ 10,150
TIF rebate	296,748	296,748	-	342,810	617,826	(275,016)
Total Revenues	1,522,887	1,333,089	189,798	1,585,159	1,850,025	(264,866)
EXPENDITURES						
Customer attraction	12,218	36,677	(24,459)	66,379	40,976	25,403
Public way aesthetics	525,038	138,627	386,411	675,957	482,639	193,318
Sustainability and public places	6,000	6,639	(639)	29,200	6,600	22,600
Economic / business development	61,599	69,930	(8,331)	141,001	121,051	19,950
Safety programs	374,436	601,827	(227,391)	577,464	501,249	76,215
Personnel	175,848	588,110	(412,262)	175,848	175,848	-
SSA management	71,000	72,981	(1,981)	70,000	70,212	(212)
Total Expenses	1,226,139	1,514,791	(288,652)	1,735,849	1,398,575	337,274
Excess of (Expenses) Revenues Over Expenditures	\$ 296,748	\$ (181,702)	\$ 478,450	\$ (150,690)	\$ 451,450	\$ (602,140)

The accompanying notes are an integral part of the financial statements.

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SPECIAL SERVICE AREA #13
Back of the Yards Neighborhood Council, Contractor
Audit Firm CPA License
For the Years Ended December 31, 2025 and 2024



Cut on Dotted Line 

For future reference, IDFPR is now providing each person/business a unique identification number, 'Access ID', which may be used in lieu of a social security number, date of birth or FEIN number when contacting the IDFPR. Your Access ID is: 3436679

SPECIAL SERVICE AREA #13
Back of the Yards Neighborhood Council, Contractor
 Budget Summary Page
 For the Year Ended December 31, 2025

Exhibit A Budget

	Special Service Area #	13
SSA Name:	Stockyards Industrial Park	

2025 BUDGET SUMMARY

Budget and Services Period: January 1, 2025 through December 31, 2025

CATEGORY (Funded Categories Comprise Scope of Services)	2024 Levy		Carryover Funds	TIF Rebate Fund #	Estimated Late Collections and Interest	Total All Sources
	Collectable Levy	Estimated Loss Collection				
1.00 Customer Attraction	\$2,450	\$9,768	\$4,500	\$27,790	\$8,321	\$52,829
2.00 Public Way Aesthetics	\$511,888	\$13,150	\$82,550	\$126,345	\$25,528	\$759,461
3.00 Sustainability and Public Places	\$5,000	\$1,000	\$16,000	\$1,994	\$1,000	\$24,994
4.00 Economic/ Business Development	\$58,132	\$3,467	\$22,754	\$15,850	\$13,344	\$113,547
5.00 Public Health and Safety Programs	\$339,556	\$34,880	\$100,000	\$124,769	\$25,205	\$624,410
6.00 SSA Management	\$71,000	\$0	\$0	\$0	\$0	\$71,000
7.00 Personnel	\$175,848	\$0		\$0	\$0	\$175,848
Sub-total	\$1,163,874	\$62,265				
GRAND TOTALS	Levy Total	\$1,226,139	\$225,804	\$296,748	\$73,398	\$1,822,089

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SPECIAL SERVICE AREA #13
Back of the Yards Neighborhood Council, Contractor
Summary Schedules of Findings
For the Years Ended December 31, 2025 and 2024

In connection with our audit of the financial statements of Special Service Area #13 for the years ended December 31, 2025 and 2024, we considered the provisions of the Service Provider Agreement between the City of Chicago and Back of the Yards Neighborhood Council related to the financial administration of the Special Service Area program.

Based on the procedures performed and information made available to us during the course of our audit, we noted no reportable findings or instances of noncompliance related to the financial administration of the Special Service Area program.

CURRENT YEAR FINDINGS :

None reported.

PRIOR YEAR FINDINGS

None reported.

The accompanying notes are an integral part of the financial statements.

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