Chicago Department of Planning and Development (DPD)
Special Service Area (SSA) Program
Audit Report Package Transmittal Checklist

This checklist must be **completed by the SSA's auditing firm** as part of a single PDF audit report package. On the checklist, enter the starting page number within the PDF for each of the audit report package components listed below. Each required component on the checklist must have a numeric page number, unless otherwise noted.

The SSA Service Provider must upload the **PDF package** and corresponding **budget workplan file** to DPD's SharePoint **by May 1st.** Audit packages submitted via e-mail are not acceptable. Audit packages will be deemed "not submitted" unless uploaded to DPD's SharePoint platform.

SSA Name and Number: 63rd Street - SSA #3

SSA Provider Name:	Greater Southwest Development Corporation
Submission Date:	June 1, 2026

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
15	5. Statement of Revenues and Expenditures – Budget and Actual
4	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*
18	Audit Firm CPA License
19	SSA Budget Summary page – used for comparison of actual expenses for current audit period

(Uploaded Separately)	**Final Modified or Amended SSA Budget Workplan (Excel file)** **Date approved by Commission:** 01 / 29 / 2026
	Note: This budget workplan must correspond to Budget Summary page noted above in audit report package.

**required if findings exist*

SPECIAL SERVICE AREA #3
CITY OF CHICAGO, ILLINOIS

ANNUAL FINANCIAL REPORT

For the Years Ended December 31, 2025 and 2024

SPECIAL SERVICE AREA #3

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CALLERO
& CALLERO LLP
CERTIFIED PUBLIC ACCOUNTANTS
AND CONSULTANTS

INDEPENDENT AUDITOR'S REPORT

To the Commissioners of
Special Service Area #3

Opinion

We have audited the accompanying financial statements of Special Service Area #3 (a taxing district authorized by the City of Chicago) which comprise the statements of net position and governmental fund balance sheets as of December 31, 2025 and 2024, and the related statements of activities and governmental fund revenues, expenditures, and changes in fund balance for the years then ended, 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 Special Service Area #3 as of December 31, 2025 and 2024, and the changes in fund balance 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 Special Service Area #3 and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter – Restatement of Prior Year Financial Statements

As discussed in Note 10 to the financial statements, the financial statements for the year ended December 31, 2024 have been restated to correct a misstatement in the previously reported amount of due from SSA Service Provider. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 Special Service Area #3'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

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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. 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 Special Service Area #3'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 Special Service Area #3'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.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information starting on page 11 is presented for the purpose of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements.

The supplementary information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, such information is fairly stated in all material respects in relation to the

financial statements as a whole. We have not performed any auditing procedures on the budget amounts and therefore, express no opinion on them.

Callero & Callero, LLP

Des Plaines, Illinois
May 21, 2026

SPECIAL SERVICE AREA #3
STATEMENTS OF NET POSITION AND GOVERNMENTAL FUND BALANCE SHEETS
December 31,

	2025			2024		
	Governmental Fund	Adjustments	Statement of Net Position	Governmental Fund	Adjustments	Statement of Net Position (Restated)
ASSETS						
Cash	$ 1,544,142	$ 0	$ 1,544,142	$ 1,865,543	$ 0	$ 1,865,543
Receivables						
Property Taxes, Net of Allowance for Uncollectible Taxes of $55,384 for 2025 and $44,263 for 2024	1,519,638	0	1,519,638	1,274,947	0	1,274,947
TIF Rebate Receivable	972,017	0	972,017	0	0	0
Interest	0	0	0	63	0	63
TOTAL ASSETS	$ 4,035,797	$ 0	$ 4,035,797	$ 3,140,553	$ 0	$ 3,140,553
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE/NET POSITION						
Liabilities						
Accounts Payable	$ 81,372	$ 0	$ 81,372	$ 63,033	$ 0	$ 63,033
Due to SSA Service Provider	142,453	0	142,453	64,675	0	64,675
TOTAL LIABILITIES	223,825	0	223,825	127,708	0	127,708
Deferred Inflows						
Deferred Revenue - Property Taxes	1,179,452	(1,179,452)	0	1,062,323	(1,062,323)	0
Deferred Revenue - TIF Rebates	972,017	(972,017)	0	0	0	0
TOTAL DEFERRED INFLOWS	2,151,469	(2,151,469)	0	1,062,323	(1,062,323)	0
Fund Balance						
Unassigned	1,660,503	(1,660,503)	0	1,950,522	(1,950,522)	0
TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE	$ 4,035,797			$ 3,140,553		
Net Position						
Unrestricted		$ (3,811,972)	$ 3,811,972		$ (3,012,845)	$ 3,012,845
Amounts reported for government activities in the statement of net position are different because:						
Total fund balance - governmental funds			$ 1,660,503			$ 1,950,522
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 government funds.			1,179,452			1,062,323
TIF Rebate revenue is deferred in the governmental funds until "available."			972,017			0
Total Net Position, Governmental Activities			$ 3,811,972			$ 3,012,845

The accompanying notes are an integral part of these financial statements

SPECIAL SERVICE AREA #3
STATEMENTS OF ACTIVITIES AND GOVERNMENTAL FUND
REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
For the Years Ended December 31,

	2025			2024		
	Governmental Fund	Adjustments	Statement of Activities	Governmental Fund	Adjustments	Statement of Activities (Restated)
Revenues						
Tax Collections	$ 717,670	$ 117,129	$ 834,799	$ 1,089,672	$ (39,501)	$ 1,050,171
TIF Rebates	0	972,017	972,017	0	0	0
Interest Revenue	0	0	0	63	0	63
Change in Estimate – Uncollectible Property Taxes	0	0	0	100,000	0	100,000
TOTAL REVENUES	717,670	1,089,146	1,806,816	1,189,735	(39,501)	1,150,234
Expenditures/Expenses						
Program Services:						
Customer Attraction	160,766	0	160,766	182,206	0	182,206
Public Way Aesthetics	441,221	0	441,221	353,365	0	353,365
Economic and Business Development	22,724	0	22,724	26,410	0	26,410
Public Health and Safety Programs	117,330	0	117,330	10,153	0	10,153
SSA Management	58,199	0	58,199	53,533	0	53,533
Personnel	207,449	0	207,449	165,462	0	165,462
TOTAL EXPENDITURES/EXPENSES	1,007,689	0	1,007,689	791,129	0	791,129
Excess of Revenues Over (Under) Expenditures/Expenses	(290,019)	1,089,146	799,127	398,606	(39,501)	359,105
Change in Fund Balance/Net Position	(290,019)	1,089,146	799,127	398,606	(39,501)	359,105
Fund Balance/Net Position, Beginning of Year	1,950,522	1,062,323	3,012,845	1,551,916	1,101,824	2,653,740
Fund Balance/Net Position, End of Year	$ 1,660,503	$ 2,151,469	$ 3,811,972	$ 1,950,522	$ 1,062,323	$ 3,012,845

Amounts reported for governmental activities in the statement of activities is different because:		
Net change in Fund balance - governmental funds	$ (290,019)	$ 398,606
Property tax is recognized in the year it is levied rather than when it is available for governmental funds	117,129	(39,501)
TIF Rebate revenue is deferred in the governmental funds until available	972,017	0
Change in Net Position	$ 799,127	$ 359,105

The accompanying notes are an integral part of these financial statements

(1) Organization and Nature of Operations

Greater Southwest Development Corporation (GSDC) is the catalyst for creating and maintaining a vital greater southwest Chicago community by empowering, building, and sustaining development to raise the quality of life for its neighborhood residents, businesses, and industries.

Special Service Areas are local tax districts that fund expanded services and programs through a localized property tax levy within contiguous areas. The enhanced services and programs are in addition to those currently provided through the city. Special Service Area funded projects typically include, but are not limited to: public way maintenance and beautification; district marketing and advertising; business retention/attraction, special events and promotional activities; auto and bike transit; security; facade improvements; and other commercial and economic development initiatives.

Special Service Area #3 (the SSA) was established by the City of Chicago and is administered by GSDC (or "the Service Provider"). It represents a specified geographic area within the city from which a portion of the property tax collections are allocated thereto. The defined territory in whole or in part is encompassed by the following: on West 63rd Street from South Bell Avenue to South Cicero Avenue; on South Kedzie Avenue from West 62nd Street to West 64th Street; on South Pulaski Road from West 56th Place to West 71st Street; on South Western Avenue from West 61st Street to West 64th Street; and on the east side of South Cicero Avenue from the alley north of West 63rd Street to West 71st Street.

The City has contracted with GSDC to manage the SSA activities. GSDC provides and/or coordinates the provision of SSA services, which may include hiring staff and/or subcontractors as needed to fulfill the SSA work plan. GSDC also generates program reports to the City's Departments of Planning and Development, Special Service Area Commission, aldermen, and the community via such means as meeting minutes, reports and/or newsletters. GSDC may also assist with the recruitment of SSA Commissioners.

(2) Significant Accounting Policies

Government-Wide and Fund Financial Statements

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 (statement of net position and statement of activities) are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when earned, and expenses are recognized when the 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 reported using the current financial resources measurement focus and are prepared on a modified accrual basis of accounting. Under this method, revenues are recorded when both measurable and available to finance expenditures of the current period. "Available" is defined as collected within the current period or soon enough thereafter (generally within 60 days of year-end) to pay current liabilities. Property taxes are considered susceptible to accrual and are recognized as a receivable in the year levied, with revenue recognition deferred unless the taxes are

(2) Significant Accounting Policies (continued)

collected within 60 days subsequent to year-end. Expenditures are recorded when the liability is incurred.

Cash and Cash Equivalents

All highly liquid investments with an initial maturity of three months or less, excluding amounts contained in investment portfolios, are considered to be cash equivalents.

Any certificates of deposit purchased with a maturity of three to twelve months are considered to be cash equivalents and are recorded at cost. These investments should be reflected at their market values, along with any unrealized gain or loss. However, the effect of using the cost method of valuation is not materially different from the results that would have been obtained under the market valuation method.

Fund Equity and Net Position

Governmental fund equity is classified as fund balance. Fund balance is further classified as nonspendable, 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 the 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 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 purposed for which amounts in an of those unrestricted fund balance classifications can be used.

For the governmentwide 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 and 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 reaming net position is classified as unrestricted.

Income Taxes

The SSA is exempt from federal, state, and local income taxation as it is a non-taxpaying entity created by the City of Chicago, established solely for the purpose of the development of the community. The SSA receives funding directly from local property tax collections.

Use of Estimates

The preparation of financial statements 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 expenses during the reporting period. Actual results could differ from those estimates.

(3) Concentration of Revenues and Carryforward

Substantially all revenues are derived from property tax levies collected on properties located within the SSA boundaries and distributed through the City of Chicago. Such revenues are to be used for rehabilitating,

(3) Concentration of Revenues and Carryforward (continued)

advertising, promoting, and maintaining the defined area. Future operations could be affected by changes in economic or other conditions within the geographical area and/or changes affecting property tax collections or related governmental funding sources.

All property tax receivables are shown net of allowances. As of December 31, 2025 and 2024, the allowances of $55,384 and $44,263 are estimated to be approximately 4% of the related total property tax levies, respectively.

There was a deficit of $(290,019) and a surplus of $398,606 for the years ended December 31, 2025 and 2024, respectively, representing the net results of operations for each year. The 2025 deficit and 2024 surplus will be reflected in the subsequent year budgets administered by the City.

During the year ended December 31, 2024, the SSA reviewed its historical property tax collections and updated its estimate of uncollectible taxes. Based on this review, management determined that a long-standing allowance for uncollectible taxes was higher than necessary. As a result, the allowance was reduced, and total revenues increased by $100,000 in the current year. This change reflects an updated assessment of the amounts expected to be collected from prior year levies and has been applied prospectively.

(4) Cash and Cash Equivalent Concentrations

The SSA maintains its cash balance in a financial institution located in Chicago, IL which is insured by the Federal Deposit Insurance Corporation up to $250,000. The SSA's cash balance periodically exceeds federally insured deposit limits. As of December 31, 2025 and 2024, the SSA's uninsured balance totaled $1,347,164 and $1,660,805, respectively.

(5) Deferred Inflows of Resources

Deferred inflows of resources represent amounts that apply to future periods and therefore will not be recognized as revenue until those future periods. Deferred inflows consist of property tax revenues and TIF Rebate revenues that are not yet considered available under the modified accrual basis of accounting.

Separately, the City of Chicago Department of Planning and Development ("DPD") informed the SSA that detailed January and February 2026 disbursement reports allocating collections by levy year were not yet finalized as of the audit completion date. Accordingly, DPD instructed SSAs to account for all property tax collections received during January and February 2026 as attributable to the 2024 levy. The SSA received approximately $340,000 of property tax collections during January and February 2026 and followed this guidance in determining property tax revenues recognized and deferred inflows recorded as of December 31, 2025.

(6) Property Taxes

Property taxes become an enforceable lien on real property on January 1st 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 prior year billed levy (55%) and is due in March. The second installment is normally due on August 1st, or 30 days from the mailing of the tax bills if issued later than July 1st. 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 SSA's share to the City of Chicago, who then remits funds to the SSA.

(6) Property Taxes (continued)

During 2025, the timing of Cook County property tax billings and collections was delayed from historical norms. The second installment property tax bills related to the 2024 levy were mailed later than usual during 2025, which delayed collections and related distributions to the City of Chicago and the SSA. As a result, amounts normally received within the first 60 days subsequent to year-end may have been reduced or delayed beyond the availability period used for modified accrual revenue recognition.

At January 1, 2024, the SSA had property tax receivables of $1,155,432, net of an allowance for uncollectible taxes of $100,000.

(7) TIF Rebate

The SSA may receive funds related to surplus Tax Increment Financing ("TIF") districts associated with the SSA. These amounts are distributed through the City of Chicago and are subject to approval through the City's budget ordinance process.

As of December 31, 2025, the SSA recorded a TIF Rebate receivable of approximately $971,681, which included approximately $964,681 related to funds reflected on 2025 Treasurer Reports and additional amounts related to prior years, all of which were held by the City of Chicago Comptroller for the benefit of SSA#3. Because the funds were not yet considered available under the modified accrual basis of accounting and had not been deposited into the SSA bank account as of year-end, a corresponding deferred inflow of resources was recorded in the governmental fund financial statements.

(8) Related Party Transactions

During the normal course of business the SSA is charged for overhead costs and expenses paid on its behalf by the Service Provider. For the years ended December 31, 2025 and 2024, the total of such expenses, including payroll, was $341,741 and $279,591, respectively.

There was $142,453 and $64,675 due to the Service Provider for these types of reimbursable costs at December 31, 2025 and 2024, respectively.

(9) Reallocation of Budget Line Items

The Board of Commissioners formally voted on and approved all reallocation of expenses from those originally submitted in the budget provided to the City of Chicago. Under Section 5.02, Budget for Services of the Service Provider Agreement, the SSA has the right to transfer funds between line items or make budget revisions that do not affect the total budget.

(10) Restatement of Prior Year Financial Statements

During the year ended December 31, 2025, management determined that a vehicle purchased in a year prior to 2024 did not meet the criteria for recognition as an asset or receivable of the SSA. In accordance with SSA program guidelines, the vehicle should have been treated as an expenditure in the period purchased, as the vehicle was transferred to and maintained by the SSA Service Provider, which is responsible for ownership, maintenance, and charging usage costs to the SSA. The vehicle continues to be used solely for SSA-related operations and services.

During 2024, the remaining balance related to the vehicle was reclassified from a vehicle/equipment balance to Due to SSA Service Provider as a temporary placeholder while management evaluated the appropriate

(10) Restatement of Prior Year Financial Statements (continued)

accounting treatment. Upon further evaluation during 2025, management concluded that the balance should not have remained recorded as a receivable of the SSA.

Accordingly, the accompanying 2024 financial statements have been restated to remove the Due to SSA Service Provider balance of approximately $30,000, with a corresponding reduction to beginning fund balance/net position as of January 1, 2024. The correction had no impact on 2024 or 2025 revenues and expenditures/expenses or the current year change in fund balance/net position.

(11) Status of Service Provider

As of the date these financial statements were available to be issued, a permanent sole service provider has not been designated for the SSA for the 2026 contract year. Following the conclusion of the previous service term managed by GSDC, and to ensure continuity of services, the City of Chicago's Department of Planning and Development has entered into an agreement with GSDC to serve as the interim sole service provider.

(12) Subsequent Events

The SSA management has evaluated subsequent events for recognition and/or disclosure through May 21, 2026, the date the financial statements were available to be issued. The SSA management is not aware of any subsequent events that would require recognition or disclosure in the accompanying financial statements.

SUPPLEMENTARY INFORMATION

SPECIAL SERVICE AREA #3
STATEMENTS OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
For the Years Ended December 31,

	2025			2024		
	Budget	Actual	Over (Under) Variance	Budget	Actual	Over (Under) Variance
Revenues						
Property Tax	$ 1,106,586	$ 717,670	$ (388,916)	$ 1,101,824	$ 1,089,672	$ (12,152)
TIF Rebate	0	0	0	7,337	0	(7,337)
Miscellaneous Revenue	0	0	0	0	0	0
Change in Estimate – Uncollectible Property Taxes	0	0	0	0	100,000	100,000
Interest Revenue	0	0	0	0	63	63
TOTAL REVENUES	1,106,586	717,670	(388,916)	1,109,161	1,189,735	80,574
Expenses & Programs						
1.00 Customer Attraction	314,103	160,766	(153,337)	294,204	182,206	(111,998)
2.00 Public Way Aesthetics	490,032	441,221	(48,811)	482,980	353,365	(129,615)
3.00 Sustainability & Public Places	5,000	0	(5,000)	4,000	0	(4,000)
4.00 Economic and Business Development	163,900	22,724	(141,176)	181,637	26,410	(155,227)
5.00 Public Health & Safety Programs	196,000	117,330	(78,670)	151,700	10,153	(141,547)
6.00 SSA Management	68,501	58,199	(10,302)	64,600	53,533	(11,067)
7.00 Personnel	207,450	207,449	(1)	191,335	165,462	(25,873)
TOTAL EXPENSES	1,444,986	1,007,689	(437,297)	1,370,456	791,129	(579,327)
Excess of Revenues Over (Under) Expenditures	$ (338,400)	$ (290,019)	$ 48,381	$ (261,295)	$ 398,606	$ 659,901
Carryover	338,400	290,019	(48,381)	261,295	0	(261,295)
Net Revenues in Excess of Expenditures	$ 0	$ 0	$ 0	$ 0	$ 398,606	$ 398,606

The accompanying notes are an integral part of these financial statements

SPECIAL SERVICE AREA #3
SUMMARY SCHEDULE OF FINDINGS
December 31, 2025 and 2024

As part of our audit of the financial statements of Special Service Area #3 for the years ended December 31, 2025 and 2024, and in accordance with the Special Service Area Annual Audited Financial Statement Guidelines prepared by the City of Chicago Department of Housing and Economic Development, we have reviewed the requirements contained in the Agreement for Special Service Area #3 between the City of Chicago and Greater Southwest Development Corporation.

Based on our understanding of the agreement and the facts surrounding the performance under the agreement, the findings to report are as follows:

CURRENT YEAR FINDINGS:

2025-01: Current Year Cash Balance Exceeds City's Allowable Amount

It was noted that the cash balance as of December 31, 2024 was $1,544,142, which is 106% of the current year budget of $1,444,986.

Criteria:

Industry standards recommend entities minimize the time elapsing between receipt of funds and disbursements for program costs.

Service Provider Comments and Corrective Action Plan:

In 2025 SSA #3 continued to pursue commissioner appointments. A fully functioning team allows for more decisions on spending and new initiatives. The slate of volunteers seeking commissioner appointments have brought many new initiatives and ideas such as the Reimagine 63rd Street Campaign, expansion of rebates, Traveling Mixers, Senior Community Day and more that will launch in 2026. The Reimagine campaign seeks to install more permanent beautification resources along the corridor, including garbage cans, sidewalk improvements, and artistic enhancements. Traveling Mixers are monthly networking events around the SSA. Senior Community Day is the rental of an ADA bus to take seniors living in the SSA around the SSA to explore and shop.

PRIOR YEAR FINDINGS:

2024-01: Current Year Carryover Exceeds City's Allowable Amount

It was noted that revenues over expenses (current year's carryover) is $398,606 (29% of the current year's budget of $1,370,456). However, we also want to note that a portion of the impact causing the carryover to exceed the city's allowable amount results from a current year change in estimate that impacted revenue by $100,000. Without this impact included in revenue in the current year, the adjusted carryover would be $298,606, which would only be 22% of the current year's budget.

Criteria:

The SSA's annual carryover is not allowed to exceed 25% of the annual budget set forth by the City's approved annual workplan and budget for ordinance.

Service Provider Comments and Corrective Action Plan:

SSA 3 plans to implement Reimagine 63rd Street Sign and Garbage can deployment in 2025 and Reimagine 63rd Street Seating in 2026 and Reimagine 63rd Street lighting in 2027, all of which will reduce the cash

2024-01: Current Year Carryover Exceeds City's Allowable Amount (continued)

surplus in future years as expenditures are incurred. The Reimagine campaign seeks to install more permanent beautification resources along the corridor, including bio swells, streetscapes and more community branded flowerpots, garbage cans, seating, lighting and signs. SSA 3 plans to add marketing support for small businesses in 2025. This is a new initiative that brings a videographer and social influencer together to tell local small business stories and to increase their social traffic in ways that bring more awareness and attention to local shops – ideally creating more sales! This will continue year over year and allow for carryover funds to be added to the budget without reprioritizing other initiatives/work. The SSA manager has strong goals to maximize use of all the Rebate programs so that all funds for each rebate will be fully spent. This will continue year over year and allow for carryover funds to be added to the budget without reprioritizing other initiatives/work.

2024-02: Current Year Cash Balance Exceeds City's Allowable Amount

It was noted that the cash balance as of December 31, 2024 was $1,865,543, which is 136% of the current year budget of $1,370,456.

Criteria:

Industry standards recommend entities minimize the time elapsing between receipt of funds and disbursements for program costs. Furthermore, State statute limits unspent funds to less than 25% of the budget.

Service Provider Comments and Corrective Action Plan:

In 2024 SSA #3 was busy recruiting a full time SSA manager. In December 2024 an SSA manager joined the team full time. For the entire 2024 calendar year, SSA #3 functioned with only 3 commissioners, so recruitment was a large focus. Four applicants have been identified and are moving through the appointment process now. A fully functioning team allows for more decisions on spending and new initiatives. This will allow the team to move the Reimagine 63rd Street Campaign forward aggressively in 2025 and 2026. The Reimagine campaign seeks to install more permanent beautification resources along the corridor, including bio swells, streetscapes and more community branded flowerpots, garbage cans, and signs.

State of Illinois

Department of Financial and Professional Regulation

Division of Professional Regulation

LICENSE NO.
066.003160
065.023435

The person, firm, or corporation whose name appears on this certificate has complied with the provisions of the Illinois Statutes and/or rules and regulations and is hereby authorized to engage in the activity as indicated below:

EXPIRES:
11/30/2027

PUBLIC ACCOUNTANT FIRM LICENSE

CALLERO AND CALLERO LLP
1700 W HIGGINS RD STE 300
DES PLAINES, IL 60018

MARIO TRETO, JR.
SECRETARY

CAMILE LINDSAY
ACTING DIRECTOR

The official status of this license can be verified at IDFPR.illinois.gov

19840478

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: 213820

Exhibit A
Budget

	Special Service Area #	3
SSA Name:	63rd Street	

2025 BUDGET SUMMARY

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

CATEGORY (Funded Categories Comprise Scope of Services)		2024 Levy: Collectable Levy	2024 Levy: Estimated Loss Collection	Carryover Funds	TIF Rebate Fund #	Estimated Late Collections and Interest	Total All Sources
1.00 Customer Attraction		$221,399	$42,704	$50,000	$0	$0	$314,103
2.00 Public Way Aesthetics		$440,032	$0	$50,000	$0	$0	$490,032
3.00 Sustainability and Public Places		$1,000	$0	$4,000	$0	$0	$5,000
4.00 Economic/ Business Development		$29,500	$0	$134,400	$0	$0	$163,900
5.00 Public Health and Safety Programs		$96,000	$0	$100,000	$0	$0	$196,000
6.00 SSA Management		$68,501	$0	$0	$0	$0	$68,501
7.00 Personnel		$207,450	$0		$0	$0	$207,450
	Sub-total	$1,063,882	$42,704				
GRAND TOTALS	**Levy Total**	**$1,106,586**		**$338,400**	**$0**	**$0**	**$1,444,986**

LEVY ANALYSIS	
Estimated 2024 EAV:	**$115,017,448**
Authorized Tax Rate Cap:	**1.250%**
Maximum Potential Levy limited by Rate Cap:	**$1,437,718**
Requested 2024 Levy Amount:	**$1,106,586**
Estimated Tax Rate to Generate 2023 Levy:	**0.9621%**

LEVY CHANGE FROM PREVIOUS YEAR	
2023 Levy Total (in 2024 budget)	$1,101,824
2024 Levy Total (in 2025 budget)	$1,106,586
Percentage Change	0.43%
Community meeting required if levy amount increases greater than 5% from previous levy.	

CARRYOVER CALCULATION	
2024 Budget Total	**$1,370,456**
Carryover request for 2025	**$338,400**
Percentage	**24.693%**
Must be less than 25%	