

**TIMES SQUARE DISTRICT MANAGEMENT ASSOCIATION, INC.**

**Financial Statements and Auditors' Report**

**June 30, 2016 and 2015**

**TIMES SQUARE DISTRICT MANAGEMENT ASSOCIATION, INC.**

Index

	<u>Page</u>
Independent Auditors' Report	1
Statements of financial position as of June 30, 2016 and 2015	2
Statements of activities for fiscal years ended June 30, 2016 and 2015	3
Statements of cash flows for fiscal years ended June 30, 2016 and 2015	4
Notes to the financial statements	5-10
<u>Supplementary Financial Information</u>	
Independent Auditors' Report on Supplementary Information	11
Schedule of functional expenses for the fiscal year ended June 30, 2016 with comparative totals for 2015	12
Schedule of expenses and budget for the fiscal year ended June 30, 2016	13
Schedule of public plaza activities and budget for the fiscal year ended June 30, 2016	14



# Skody Scot & Company, CPAs, P.C.

520 Eighth Avenue, Suite 2200, New York, NY 10018 (T) 212-967-1100 (F) 212-967-2002

[www.skodyscot.com](http://www.skodyscot.com)

---

## INDEPENDENT AUDITORS' REPORT

To: The Board of Directors of  
Times Square District Management Association, Inc.

We have audited the accompanying financial statements of Times Square District Management Association, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2016 and 2015, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Times Square District Management Association, Inc. as of June 30, 2016 and 2015, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

New York, NY  
September 9, 2016

*Skody Scot & Company, CPAs, P.C.*

**TIMES SQUARE DISTRICT MANAGEMENT ASSOCIATION, INC.**  
**Statements of Financial Position**  
**June 30, 2016 and 2015**

	<b>2016</b>	<b>2015</b>
<b>ASSETS</b>		
Cash	\$ 8,416,917	\$ 8,379,923
Contributions and other receivables	3,402,081	4,407,389
Prepaid expenses	199,121	241,187
Property and equipment	1,314,258	1,298,268
Security deposits and other assets	2,482,787	2,193,010
	<u>15,815,164</u>	<u>16,519,777</u>
Total assets	<u>\$ 15,815,164</u>	<u>\$ 16,519,777</u>
<b>LIABILITIES AND NET ASSETS</b>		
Liabilities:		
Accounts payable and accrued expenses	\$ 899,192	\$ 1,100,945
Deferred income and deposits	126,937	134,991
Deferred rent	14,095	22,151
	<u>1,040,224</u>	<u>1,258,087</u>
Total liabilities	<u>1,040,224</u>	<u>1,258,087</u>
Commitments (see notes)		
Net Assets:		
Unrestricted	14,774,940	15,261,690
Temporarily restricted	-	-
Permanently restricted	-	-
	<u>14,774,940</u>	<u>15,261,690</u>
Total net assets	<u>14,774,940</u>	<u>15,261,690</u>
Total liabilities and net assets	<u>\$ 15,815,164</u>	<u>\$ 16,519,777</u>

See accompanying notes to the financial statements.

**TIMES SQUARE DISTRICT MANAGEMENT ASSOCIATION, INC.**  
**Statements of Activities**  
**Fiscal years ended June 30, 2016 and 2015**

	<u>2016</u>	<u>2015</u>
<b>Support and Revenues:</b>		
Unrestricted:		
Assessment revenue	\$ 12,638,972	\$ 12,152,721
Government grants	15,160	22,640
Contributions and sponsorships	3,135,639	3,280,008
Contributions in-kind	72,034	43,911
Program service revenue	2,521,820	2,540,273
Lease surrender	-	4,374,221
Interest income	31,396	21,527
Total support and revenues	<u>18,415,021</u>	<u>22,435,301</u>
<b>Expenses:</b>		
Program expenses:		
Events and programming	4,680,735	4,600,233
Visitor services	82,910	43,293
Public safety	4,052,544	3,744,129
Sanitation	5,264,472	5,130,436
Policy, planning and research	1,126,116	828,656
Communications and external affairs	870,589	715,329
Total program expenses	<u>16,077,366</u>	<u>15,062,076</u>
Management and general	2,646,632	2,183,888
Fundraising	177,773	49,350
Total expenses	<u>18,901,771</u>	<u>17,295,314</u>
<b>Changes in Net Assets:</b>		
Unrestricted	(486,750)	5,139,987
Temporarily restricted	-	-
Permanently restricted	-	-
Change in net assets	<u>(486,750)</u>	<u>5,139,987</u>
Net assets at the beginning of the year	15,261,690	10,121,703
Net assets at the end of the year	<u>\$ 14,774,940</u>	<u>\$ 15,261,690</u>

See accompanying notes to the financial statements.

**TIMES SQUARE DISTRICT MANAGEMENT ASSOCIATION, INC.**  
**Statements of Cash Flows**  
**Fiscal years ended June 30, 2016 and 2015**

	<u>2016</u>	<u>2015</u>
<b>Cash flows from operating activities:</b>		
Change in net assets	\$ (486,750)	\$ 5,139,987
Adjustments for noncash items included in operating activities:		
Depreciation	186,069	104,047
Discount on receivables	(23,445)	86,000
Changes in assets and liabilities:		
Contributions and other receivables	1,028,753	(3,934,241)
Prepaid expenses	42,066	26,931
Security deposits and other assets	(289,777)	(371,246)
Accounts payable and accrued expenses	(201,753)	46,851
Deferred income and deposits	(8,054)	45,218
Deferred rent	(8,056)	(8,056)
Net cash provided by operating activities	<u>239,053</u>	<u>1,135,491</u>
<b>Cash flows from investing activities:</b>		
Purchases of property and equipment	(202,059)	(820,213)
Proceeds from lease surrender	-	539,779
Net cash used in investing activities	<u>(202,059)</u>	<u>(280,434)</u>
<b>Cash flows from financing activities</b>	<u>-</u>	<u>-</u>
Net increase in cash and cash equivalents	36,994	855,057
Cash at beginning of year	<u>8,379,923</u>	<u>7,524,866</u>
Cash at end of year	<u>\$ 8,416,917</u>	<u>\$ 8,379,923</u>
Supplemental Information:		
Disposal of assets	<u>\$ 84,500</u>	<u>\$ 2,472,042</u>

See accompanying notes to the financial statements.

**TIMES SQUARE DISTRICT MANAGEMENT ASSOCIATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

Note 1 - Summary of Significant Accounting Policies

The Organization

Times Square District Management Association, Inc. (Organization), also known as the Times Square Alliance (a not-for-profit organization), was incorporated in the State of New York on July 26, 1991. The Organization is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and does not believe its financial statements include any uncertain tax positions. The Organization primarily receives its support from a real estate special assessment levied by The City of New York (City) on properties located in the Times Square Business Improvement District (BID). The BID's boundaries are approximately from 40<sup>th</sup> Street to 53<sup>rd</sup> Street between 6<sup>th</sup> Avenue and 8<sup>th</sup> Avenue, and 46<sup>th</sup> Street between 8<sup>th</sup> Avenue and 9<sup>th</sup> Avenue.

The Organization's programs include the following: Public Safety - providing increased public security through a combination of uniformed guards and a working relationship with the New York City Police Department; Sanitation - maintaining clean streets/curbs and garbage removal; Events and Programming – creating special events and distinctive programming to promote the district to residents and tourists; Policy, Planning and Research - managing public space through urban planning and conducting research to retain, support and attract prospective businesses; Communications and External Affairs – communicating internal and external facing news and information through public relations and marketing and managing government relations and advocacy; and Visitor Services – operating an information kiosk and assisting and providing information to visitors of Times Square.

Basis of Presentation

In accordance with GAAP the Organization 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. In addition, the Organization is required to present a statement of cash flows.

Use of Estimates

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

Cash and Cash Equivalents

For the purposes of the statements of financial position and the statements of cash flows, the Organization considers as cash equivalents money market funds and highly liquid resources, such as investments in certificates of deposit, with an original maturity of three months or less. At June 30, 2016 and 2015, the Organization did not have any resources that were considered cash equivalents.

**TIMES SQUARE DISTRICT MANAGEMENT ASSOCIATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

Note 1 - Summary of Significant Accounting Policies (Continued)

Receivables

Receivables that are expected to be collected within one year are recorded at their net realizable value. Receivables that are expected to be collected in future years are recorded at the present value of estimated future cash flows.

Property and Equipment

The Organization capitalizes certain property and equipment with estimated lives of three years or more. Property and equipment are stated at cost, less accumulated depreciation. Depreciation of furniture and equipment is computed by the straight-line method over estimated useful lives ranging from three to ten years. Leasehold improvements are depreciated by the straight-line method over the life of the improvement or the term of the lease, whichever is shorter. Expenditures for repairs and maintenance are charged as an expense, and major renewals and betterments are capitalized.

Revenue Recognition

The real estate assessment levied by the City is recorded by the Organization when earned. The City remits these assessments to the Organization in two installments. An allowance for doubtful accounts is not provided because all assessments are received in the current year. Assessment billing errors are recorded as a direct reduction of assessment revenue.

Program service revenue relates to fees received in exchange for program services. Revenue is recognized when the program service is provided. Any revenue received which has not been earned is recorded as deferred income.

Contributions are considered available for the Organization's general programs unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor are reported as temporarily or permanently restricted support and increases in the respective class of net assets. Contributions received with temporary restrictions that are met in the same reporting period are reported as unrestricted support and increase unrestricted net assets. Investment income and gains restricted by donors are reported as increases in unrestricted net assets if the restrictions are met (either a stipulated time period ends or a purpose restriction is accomplished) in the reporting period in which the income and gains are recognized. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

Expense Allocation

The costs of providing various programs and other activities have been summarized on a functional basis in the statements of activities and in the schedule of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The Organization allocates salaries based on estimated time and other expenses are allocated based on usage. The Organization classifies expenses, which are not directly related to a specific program, as Management and General expenses.



**TIMES SQUARE DISTRICT MANAGEMENT ASSOCIATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

**Note 2 - Contributions and Other Receivables**

Receivables are expected to be realized in the following periods:

	<u>2016</u>	<u>2015</u>
In one year or less	\$1,464,626	\$1,293,389
In two years	1,200,000	1,200,000
In three years	800,000	1,200,000
In four years	-	800,000
	<u>3,464,626</u>	<u>4,493,389</u>
Less: Discount, at approximately 2%	( 62,545)	( 86,000)
	<u><u>\$3,402,081</u></u>	<u><u>\$4,407,389</u></u>

**Note 3 - Property and Equipment**

Property and equipment by major class consisted of the following at June 30, 2016 and 2015:

	<u>2016</u>	<u>2015</u>
Furniture and fixtures	\$ 27,215	\$ 27,215
Equipment	1,733,330	1,641,555
Vehicles	138,470	138,470
Leasehold improvements	<u>622,996</u>	<u>597,212</u>
	2,522,011	2,404,452
Less: Accumulated depreciation	<u>(1,207,753)</u>	<u>(1,106,184)</u>
	<u><u>\$ 1,314,258</u></u>	<u><u>\$ 1,298,268</u></u>

**Note 4 - Contributions In-Kind**

Contributions in-kind represent noncash contributions, which are recorded at their estimated fair value, and are reported as support and expensed in the period in which received. For the years ended June 30, 2016 and 2015, Proskauer Rose LLP and Skadden, Arps, Slate, Meagher & Flom LLP provided legal services with fair market values that totaled \$72,034 and \$43,911, respectively.

**TIMES SQUARE DISTRICT MANAGEMENT ASSOCIATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

**Note 5 - Commitments and Contingencies**

The Organization leases multiple sites under noncancellable operating leases. As of June 30, 2016, minimum aggregate annual rental commitments are as follows:

	Organization Commitments
Year ended June 30, 2017	\$ 603,047
2018	468,709
2019	154,624
2020	160,593
2021	166,800
2022	84,983

Total rent expense charged to operations for the years ended June 30, 2016 and 2015 was \$714,203 and \$688,920, respectively.

The Organization maintains its financial accounts with major institutions. Institutional balances do not include transactions which are outstanding and have not cleared their accounts. Balances that exceed the Federal Deposit Insurance Corporation and the Securities Investor Protection Corporation insurance coverage's are summarized for the years ended June 30, 2016 and 2015 are as follows:

	2016	2015
Institution balances	\$ 8,663,578	\$ 8,379,923
Less: Amounts covered	( 250,000)	( 250,000)
Uninsured amounts	<u>\$ 8,413,578</u>	<u>\$ 8,129,923</u>

**Note 6 - Pension Plan**

Effective January 1, 1993, the Organization adopted a qualified cash or deferred compensation plan under section 403(b) of the Internal Revenue Code. Under the plan, employees may elect to defer up to twenty percent (20%) of their salary, subject to Internal Revenue Service limits. In addition, the plan allows for the Organization to make discretionary contributions based on the participant's salary and class group. Organization contributions to the plan amounted to \$170,361 and \$166,809 for the years ended June 30, 2016 and 2015, respectively.

**TIMES SQUARE DISTRICT MANAGEMENT ASSOCIATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

**Note 7 - Joint Ventures**

The Organization entered into a joint venture agreement with two not-for-profit organizations to enhance Duffy Square Park, located in the center of Times Square. The future repairs will be assumed by the parties of the joint venture. Total maintenance expended under the joint venture for the years ended June 30, 2016 and 2015 were \$232,293 and \$259,753, respectively.

The Organization co-produces the New Years Eve event with OTS Events – Jamestown (OTS) and Countdown Entertainment LLC. OTS collects sponsorship and advertising revenues, and remits amounts to the Organization to cover event expenses. Sponsorship revenues received from OTS amounted to \$2,772,428 in 2016 and \$2,843,461 in 2015. OTS maintains a reserve fund for future vendor installments. These funds are reported as other assets in the Statements of Financial Position. As of June 30, 2016 and 2015, OTS was holding on behalf of the Organization \$2,460,989 and \$2,171,212, respectively.

In 2009, the Organization signed agreements with the New York City Department of Transportation (DOT) with renewal options totaling 9 years, to manage and maintain multiple public pedestrian plazas located within the district. The agreement allows the Organization to collect special event concession fees, contributions and sponsorships which will be used to offset the cost of managing and maintaining the plazas. Any excess revenue derived from the plazas will be kept in an accrual fund. The accrual fund will be used for any future shortfall in revenue needed to provide the services set forth in the agreement. If at any time the accrual fund contains more than three times the public plaza budget, the excess amount of funds shall be used to provide any services and/or alterations in the public plaza. At the end of the term of the license agreement or at termination, the balance of the accrual fund shall be used to provide any services and/or alterations in the public plaza.

**Note 8 - Related Party**

The Organization leases office space, at fair market value, from an entity whose officers are on the Organization's Board of Directors. Total payments for fiscal years ended June 30, 2016 and 2015 were \$555,266 and \$537,250, respectively. The same entity was involved in the Lease Surrender disclosed below.

The Organization received program service revenue for extra security work from an entity whose officer is on the Organization's Board of Directors. Total receipts for the fiscal years ended June 30, 2016 and 2015 were \$157,489 and \$149,534, respectively.

**TIMES SQUARE DISTRICT MANAGEMENT ASSOCIATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

**Note 9 - Lease Surrender**

Pursuant to an amendment of its lease for its Visitor Center, the Organization vacated its premises and agreed subsequently to terminate the lease in exchange for monthly payments from the landlord of \$100,000 each beginning in January 2015 and ending in February 2019. The aggregate sum of such payments was reduced by the remaining undepreciated balance of leasehold improvements for the Visitor Center of \$600,000, and the remaining balance of payments of \$4,400,000 was reported in the statement of activities as additional lease surrender revenue. Such balance, discounted at 2% or \$86,000, was recorded as an outstanding receivable as of June 30, 2015 in the amount of \$4,314,000 and reported in the statements of position as other receivables. Total lease surrender revenue for fiscal year ended June 30, 2015 was \$4,374,221.

**Note 10 - Subsequent Events**

Subsequent events were evaluated for potential additional disclosures and corrections through September 9, 2016, which is the date the financial statements were available to be issued.



# Skody Scot & Company, CPAs, P.C.

520 Eighth Avenue, Suite 2200, New York, NY 10018 (T) 212-967-1100 (F) 212-967-2002  
[www.skodyscot.com](http://www.skodyscot.com)

---

## INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION

To: The Board of Directors of  
Times Square District Management Association, Inc.

We have audited the financial statements of Times Square District Management Association, Inc. as of and for the years ended June 30, 2016 and 2015, and have issued our report thereon dated September 9, 2016, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The schedules of functional expenses, expenses and budget, and public plaza activities and budget are presented for the purpose of additional analysis and are 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 information has been subjected to the auditing procedures applied in the audit 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, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*Skody Scot & Company, CPAs, PC*

New York, NY  
September 9, 2016

**TIMES SQUARE DISTRICT MANAGEMENT ASSOCIATION, INC.**  
**Schedule of Functional Expenses**  
**(Supplemental Financial Information)**  
**Fiscal year ended June 30, 2016 with comparative totals for 2015**

	2016										2015
	Program Expenses							Supporting Services			
	Events & Programming	Visitor Services	Public Safety	Sanitation	Policy Planning Research	Communications & External Affairs	Total Program Expenses	Management and General	Fundraising	Total Expenses	Total Expenses
Personnel costs:											
Executive salaries	\$ 312,735	\$ -	\$ 173,600	\$ 173,600	\$ 276,438	\$ 152,504	\$ 1,088,877	\$ 49,166	\$ 42,174	\$ 1,180,217	\$ 1,096,222
Support salaries	523,843	-	459,719	317,142	213,135	258,733	1,772,572	331,119	90,103	2,193,794	2,237,281
Hourly staff	92,685	-	1,942,745	2,130,442	14,966	12,233	4,193,071	32,659	15,323	4,241,053	3,988,102
Payroll taxes and benefits	163,651	-	988,837	1,055,304	93,738	78,941	2,380,471	96,400	27,423	2,504,294	2,273,685
Pension	17,823	-	60,447	58,745	12,446	9,078	158,539	9,072	2,750	170,361	166,809
Outside contractors	102,693	49,481	40,112	278,986	165,318	123,784	760,374	794,499	-	1,554,873	1,042,566
Total personnel costs	1,213,430	49,481	3,665,460	4,014,219	776,041	635,273	10,353,904	1,312,915	177,773	11,844,592	10,804,665
	10.2%	0.4%	30.9%	33.9%	6.6%	5.4%	87.4%	11.1%	1.5%	100.0%	
Operating expenses:											
Occupancy	-	-	127,017	232,073	-	-	359,090	435,400	-	794,490	780,348
Uniforms	-	-	73,641	40,124	-	-	113,765	-	-	113,765	136,133
Recruitment & staff development	1,219	-	17,733	11,204	2,242	2,546	34,944	102,160	-	137,104	76,525
Depreciation	-	-	-	-	-	-	-	186,069	-	186,069	104,047
Insurance	11,370	-	95,370	255,613	-	-	362,353	53,175	-	415,528	365,184
Postage, shipping	14,086	-	-	-	-	56	14,142	5,579	-	19,721	33,514
Printing	31,035	-	4,662	3,685	1,143	36,403	76,928	3,485	-	80,413	48,645
Professional fees	-	-	-	2,000	-	-	2,000	109,089	-	111,089	82,066
Supplies, equipment & other costs	74,851	-	24,204	330,723	9,170	12,713	451,661	274,899	-	726,560	850,485
Planning costs	103,110	-	-	-	305,469	250	408,829	-	-	408,829	207,176
Telephone	-	-	800	25	230	-	1,055	56,499	-	57,554	50,759
Travel and meetings	43,066	-	17,068	15,674	19,473	9,826	105,107	47,499	-	152,606	156,290
Constituent expenses	75	-	1,750	2,930	-	-	4,755	59,863	-	64,618	50,722
Project expenses	3,188,493	33,429	24,839	356,202	12,348	173,522	3,788,833	-	-	3,788,833	3,548,755
Total operating expenses	3,467,305	33,429	387,084	1,250,253	350,075	235,316	5,723,462	1,333,717	-	7,057,179	6,490,649
	49.1%	0.5%	5.5%	17.7%	5.0%	3.3%	81.1%	18.9%	0.0%	100.0%	
Total expenses	\$ 4,680,735	\$ 82,910	\$ 4,052,544	\$ 5,264,472	\$ 1,126,116	\$ 870,589	\$ 16,077,366	\$ 2,646,632	\$ 177,773	\$ 18,901,771	\$ 17,295,314
	24.8%	0.4%	21.4%	27.9%	6.0%	4.6%	85.1%	14.0%	0.9%	100.0%	

**TIMES SQUARE DISTRICT MANAGEMENT ASSOCIATION, INC.**  
**Schedule of Expenses and Budget**  
**(Supplemental Financial Information)**  
**Fiscal year ended June 30, 2016**

	Total Expenses	Less In-Kind Contributions	Net Expenses	Assessment Budget
<b>Personnel costs:</b>				
Executive salaries	\$ 1,180,217	\$ -	\$ 1,180,217	\$ 1,088,494
Support salaries	2,193,794	-	2,193,794	2,379,836
Hourly staff	4,241,053	-	4,241,053	4,152,298
Payroll taxes and benefits	2,504,294	-	2,504,294	2,890,962
Pension	170,361	-	170,361	209,258
Outside contractors	1,554,873	-	1,554,873	955,500
Total personnel costs	<u>11,844,592</u>	<u>-</u>	<u>11,844,592</u>	<u>11,676,348</u>
<b>Operating expenses:</b>				
Occupancy	794,490	-	794,490	813,252
Uniforms	113,765	-	113,765	142,762
Recruitment & staff development	137,104	-	137,104	121,350
Depreciation	186,069	-	186,069	175,000
Insurance	415,528	-	415,528	434,327
Postage, shipping	19,721	-	19,721	14,100
Printing	80,413	-	80,413	82,200
Professional fees	111,089	(72,034)	39,055	50,250
Supplies, equipment & other costs	726,560	-	726,560	696,375
Planning costs	408,829	-	408,829	417,000
Telephone	57,554	-	57,554	60,910
Travel and meetings	152,606	-	152,606	200,735
Constituent expenses	64,618	-	64,618	41,500
Project expenses	3,788,833	-	3,788,833	4,948,306
Total operating expenses	<u>7,057,179</u>	<u>(72,034)</u>	<u>6,985,145</u>	<u>8,198,067</u>
Total expenses	<u>\$ 18,901,771</u>	<u>(72,034)</u>	<u>\$ 18,829,737</u>	<u>\$ 19,874,415</u>

**TIMES SQUARE DISTRICT MANAGEMENT ASSOCIATION, INC.**  
**Schedule of Public Plaza Activities and Budget**  
**(Supplemental Financial Information)**  
**Fiscal year ended June 30, 2016**

	<u>Actual Activity</u>	<u>DOT Plaza Budget</u>
Support and Revenues:		
Concession, sponsors and event fees	<u>\$ 1,264,261</u>	<u>\$ 1,709,150</u>
Expenses:		
Cleaning/Trash Removal (Sanitation)	720,687	1,403,865
Landscape Maintenance (Sanitation)	93,515	130,000
Repairs/Replacement (Sanitation)	90	4,800
Public Safety (Safety)	670,213	782,516
Equipment/Supplies/Other (Sanitation, Safety)	166,030	270,046
Special events (Events & Programming, Sanitation)	<u>883,369</u>	<u>901,264</u>
Total expenses	<u>2,533,904</u>	<u>3,492,491</u>
Administrative costs:		
Professional fees	2,000	2,500
11.8% administrative fee	<u>299,237</u>	<u>412,409</u>
Total administrative costs	<u>301,237</u>	<u>414,909</u>
Total expenses	<u>2,835,141</u>	<u>\$ 3,907,400</u>
Excess/(deficit) revenues from plaza activities	<u>\$ (1,570,880)</u>	
Balance of Accrual Fund, at end of year	<u>\$ -</u>	

Note- The above information is prepared in accordance with agreement #CT 841 20100010240 with New York City Department of Transportation dated September 9, 2009 and amended on January 7, 2010. The above expenses are included on Page 12 in the (program) noted above.