

TIMES SQUARE DISTRICT MANAGEMENT ASSOCIATION, INC.

Financial Statements and Auditors' Report

June 30, 2018 and 2017

TIMES SQUARE DISTRICT MANAGEMENT ASSOCIATION, INC.

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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, 2018 and 2017, 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, 2018 and 2017, 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
October 2, 2018

Skody Scot & Company, CPAs, P.C.

TIMES SQUARE DISTRICT MANAGEMENT ASSOCIATION, INC.
Statements of Financial Position
June 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
ASSETS		
Cash	\$ 1,758,896	\$ 7,906,141
Contributions and other receivables, net	1,277,152	2,435,157
Prepaid expenses	531,045	227,076
Investments	6,082,090	-
Property and equipment, net	1,410,680	1,457,375
Security deposits and other assets	2,210,177	2,283,257
Total assets	<u>\$ 13,270,040</u>	<u>\$ 14,309,006</u>

LIABILITIES AND NET ASSETS

Liabilities:		
Accounts payable and accrued expenses	\$ 1,282,978	\$ 1,018,358
Deferred income and deposits	26,280	5,000
Deferred rent	-	6,039
Total liabilities	<u>1,309,258</u>	<u>1,029,397</u>
Commitments (see notes)		
Net Assets:		
Unrestricted	11,960,782	13,279,609
Temporarily restricted	-	-
Permanently restricted	-	-
Total net assets	<u>11,960,782</u>	<u>13,279,609</u>
Total liabilities and net assets	<u>\$ 13,270,040</u>	<u>\$ 14,309,006</u>

See accompanying notes to the financial statements.

TIMES SQUARE DISTRICT MANAGEMENT ASSOCIATION, INC.
Statements of Activities
Fiscal years ended June 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Support and Revenues:		
Unrestricted:		
Assessment revenue	\$ 13,018,141	\$ 12,638,972
Government grants and contracts	255,900	145,000
Contributions and sponsorships	3,704,082	2,827,732
Contributions in-kind	27,868	96,353
Program service income	3,315,936	2,417,641
Investment income	186,091	26,477
Total support and revenues	<u>20,508,018</u>	<u>18,152,175</u>
Expenses:		
Program Expenses:		
Events and programming	6,064,483	4,937,454
Visitor services	-	125,092
Public safety	4,035,001	4,121,003
Sanitation	7,198,455	5,982,490
Policy, planning and research	1,009,763	1,184,412
Communications and external affairs	848,967	865,336
Total program expenses	<u>19,156,669</u>	<u>17,215,787</u>
Management and general	2,442,277	2,232,051
Fundraising	227,899	199,668
Total expenses	<u>21,826,845</u>	<u>19,647,506</u>
Increase/(Decrease) In Net Assets:		
Unrestricted	(1,318,827)	(1,495,331)
Temporarily restricted	-	-
Permanently restricted	-	-
Increase/(decrease) in net assets	<u>(1,318,827)</u>	<u>(1,495,331)</u>
Net assets, beginning of year	<u>13,279,609</u>	<u>14,774,940</u>
Net assets, end of year	<u>\$ 11,960,782</u>	<u>\$ 13,279,609</u>

See accompanying notes to the financial statements.

TIMES SQUARE DISTRICT MANAGEMENT ASSOCIATION, INC.
Statements of Cash Flows
Fiscal years ended June 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Cash flows from operating activities:		
Change in net assets	\$ (1,318,827)	\$ (1,495,331)
Adjustments for noncash items included in operating activities:		
Depreciation	258,898	219,953
Amortization of discount on receivables	(23,455)	(23,455)
Losses/(gains) on investments	4,980	-
Changes in assets and liabilities:		
Contributions and other receivables	1,181,460	990,379
Prepaid expenses	(303,969)	(27,955)
Security deposits and other assets	73,080	199,530
Accounts payable and accrued expenses	264,620	119,166
Deferred income and deposits	21,280	(121,937)
Deferred rent	(6,039)	(8,056)
Net cash provided by operating activities	<u>152,028</u>	<u>(147,706)</u>
Cash flows from investing activities:		
Purchases of property and equipment	(212,203)	(363,070)
Purchase of investments	(6,087,070)	-
Net cash used in investing activities	<u>(6,299,273)</u>	<u>(363,070)</u>
Cash flows from financing activities	<u>-</u>	<u>-</u>
Net increase in cash	(6,147,245)	(510,776)
Cash at beginning of year	<u>7,906,141</u>	<u>8,416,917</u>
Cash at end of year	<u>\$ 1,758,896</u>	<u>\$ 7,906,141</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 40th Street to 53rd Street between 6th Avenue and 8th Avenue, and 46th Street between 8th Avenue and 9th 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 (inactive in 2018) - 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.

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.

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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.

Government contract and program service revenue relates to fees received in exchange for services. Revenue is recognized when the service is provided. Any advances or revenue received which have not been earned is recorded as refundable advances or 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 1 - Summary of Significant Accounting Policies (Continued)

Investments

All investments are measured at fair value on a recurring basis and are reported at their fair values as of June 30, 2018 and 2017 in the statements of financial position.

Investment income (interest, dividends, and capital gain distributions) is recognized as revenue in the period earned, and gains and losses (realized and unrealized) are recognized in the period they occur.

Note 2 - Contributions and Other Receivables

As of June 30, 2018 and 2017, receivables are expected to be realized in the following periods:

	<u>2018</u>	<u>2017</u>
In one year or less	\$ 1,292,787	\$ 1,674,247
In two years	-	800,000
	<u>1,292,787</u>	<u>2,474,247</u>
Less: Discount, at approximately 2%	<u>(15,635)</u>	<u>(39,090)</u>
	<u>\$ 1,277,152</u>	<u>\$ 2,435,157</u>

Note 3 - Property and Equipment

Property and equipment by major class consisted of the following at June 30, 2018 and 2017:

	<u>2018</u>	<u>2017</u>
Furniture and fixtures	\$ 184,265	\$ 27,215
Equipment	1,846,879	1,820,902
Vehicles	138,470	138,470
Leasehold improvements	<u>927,667</u>	<u>898,491</u>
	3,097,281	2,885,078
Less: Accumulated depreciation	<u>(1,686,601)</u>	<u>(1,427,703)</u>
	<u>\$ 1,410,680</u>	<u>\$ 1,457,375</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, 2018 and 2017, Proskauer Rose LLP and Skadden, Arps, Slate, Meagher & Flom LLP provided legal services with fair market values that totaled \$27,868 and \$96,353, respectively.

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

Note 5 - Fair Value Measurement of Investments

The Financial Accounting Standards Board (FASB) requires enhanced disclosures about investments that are measured and reported at fair value. FASB establishes a hierarchal disclosure framework which prioritizes and ranks the level of market price observability used in measuring investments at fair value. Market price observability is impacted by a number of factors, including the type of investment and the characteristics specific to the investment. Investments with readily available active quoted prices, or for which fair value can be measured from actively quoted prices, generally will have a higher degree of market price observability and a lesser degree of judgment used in measuring fair value.

Investments measured and reported at fair value are classified and disclosed in one of the following categories:

Level 1: Investments falling within Level 1 of the fair value hierarchy are valued using inputs based upon quoted prices in active markets for identical investments. Investments that are typically included in Level 1 are listed equity securities, publicly traded mutual funds, exchange traded funds, and U.S. treasury bills.

Level 2: Investments falling within Level 2 of the fair value hierarchy are valued using significant observable inputs other than prices quoted in active markets. Examples of Level 2 inputs are model-driven prices, quoted prices for similar investments in active markets, and quoted prices for identical or similar investments in inactive markets. Investments that are typically included in Level 2 are municipal bonds, corporate bonds, and government debt securities.

Level 3: Investments falling within Level 3 of the fair value hierarchy are valued using methodology that is unobservable and significant to the fair value measurement. Level 3 inputs require significant management judgment or estimation. Investments that are typically included in this category are investments in limited partnerships, and investments in private companies or unregistered securities.

The investment's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following summarizes the valuation of the Organization's investments by the above fair value hierarchy levels as of June 30, 2018 and 2017:

	<u>2018</u>	<u>2017</u>
Level 1	\$ 4,052,102	\$ -
Level 2	2,029,988	-
Level 3	-	-
	<u>\$ 6,082,090</u>	<u>\$ -</u>

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

Note 6 - Investments

Investments consisted of the following at June 30, 2018 and 2017:

	<u>2018</u>	<u>2017</u>
Mutual funds & ETFs	\$ 2,305,847	\$ -
U.S treasury bills	1,746,255	-
Certificates of deposit	<u>2,029,988</u>	<u>-</u>
Fair market value	6,082,090	-
Less: Cost	<u>6,087,070</u>	<u>-</u>
Unrealized appreciation/(depreciation)	\$(<u>4,980</u>)	\$(<u>-</u>)

The components of investment income for the years ended June 30, 2018 and 2017 are as follows:

	<u>2018</u>	<u>2017</u>
Interest, dividends, and gain distributions	\$ 191,071	\$ 26,477
Unrealized gains/(losses)	<u>(4,980)</u>	<u>-</u>
Net investment return	<u>\$ 186,091</u>	<u>\$ 26,477</u>

Note 7 - Government Grants and Contracts

During the years ended June 30, 2018 and 2017, the Organization was awarded grants by governmental agencies to further the Organization's exempt purpose. Total amounts expended under the grants and contracts amounted to:

	<u>2018</u>	<u>2017</u>
NYC Department of Cultural Affairs	\$ 17,100	\$ 16,500
NYS Council on the Arts	52,500	78,500
National Endowment for the Arts	30,000	50,000
NYC Economic Development Corp	<u>156,300</u>	<u>-</u>
	<u>\$ 255,900</u>	<u>\$ 145,000</u>

Note 8 - Concentrations

The Organization maintains its financial accounts with major institutions. Institutional balances do not include transactions which are outstanding and have not cleared their accounts. The Federal Deposit Insurance Corporation (FDIC) insures bank deposits up to \$250,000 per financial institution. The Securities Investor Protection Corporation (SIPC) insures cash and securities, including money market funds, up to \$500,000 per financial institution. The balances of the accounts have exceeded the insured limits during the years ended June 30, 2018 and 2017.

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

Note 9 - Commitments and Contingencies

The Organization leases multiple sites under noncancellable operating leases. As of June 30, 2018, minimum aggregate annual rental commitments are as follows:

	<u>Organization Commitments</u>
Year ended June 30, 2019	\$ 631,414
2020	646,918
2021	662,853
2022	590,956
2023	516,093
2024 and thereafter	2,597,031

Total rent expense charged to operations for the years ended June 30, 2018 and 2017 was \$710,139 and \$726,083, respectively.

Note 10 - 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 \$205,993 and \$182,001 for the years ended June 30, 2018 and 2017, respectively.

Note 11 - 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, 2018 and 2017 were \$528,266 and \$550,986, 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, 2018 and 2017 were \$164,333 and \$161,857, respectively.

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

Note 12 - 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, 2018 and 2017 were \$362,960 and \$255,765, 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 \$3,100,671 in 2018 and \$2,264,452 in 2017. 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, 2018 and 2017, OTS was holding on behalf of the Organization \$2,188,379 and \$2,261,459, 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. The Organization is in the process of renewing its agreement with the DOT.

Note 13 - 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 during the year ended June 30, 2015. The receivable balance was discounted at 2%, or \$15,635 and \$39,090 at June 30, 2018 and 2017, respectively. The outstanding balance for the receivable is \$800,000 and \$2,000,000 at June 30, 2018 and 2017, respectively.

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

Note 14 - Subsequent Events

Subsequent events were evaluated for potential additional disclosures and corrections through October 2, 2018, which is the date the financial statements were available to be issued.



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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, 2018 and 2017, and have issued our report thereon dated October 2, 2018, 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.

New York, NY
October 2, 2018

Skody Scot & Company, CPAs, PC

TIMES SQUARE DISTRICT MANAGEMENT ASSOCIATION, INC
Schedule of Functional Expenses
(Supplemental Financial Information)
Fiscal year ended June 30, 2018 with comparative totals for 2017

	2018									2017
	Program Expenses					Support Services				Total Expenses
	Events & Programming	Public Safety	Sanitation	Policy Planning Research	Communication & External Affairs	Total Program Expenses	Management and General	Fundraising	Total Expenses	Total Expenses
Personnel costs:										
Executive salaries	\$ 322,319	\$ 186,335	\$ 186,336	\$ 289,766	\$ 169,296	\$ 1,154,052	\$ 51,372	\$ 43,282	\$ 1,248,706	\$ 1,255,262
Support salaries	702,613	407,921	365,702	241,298	233,893	1,951,427	447,769	121,591	2,520,787	2,347,145
Hourly staff	114,826	1,957,290	2,585,108	18,617	19,369	4,695,210	7,064	19,156	4,721,430	4,441,383
Payroll taxes and benefits	234,731	940,725	1,331,120	113,395	93,588	2,713,559	140,858	40,055	2,894,472	2,841,365
Pension	23,420	66,050	75,582	14,104	10,694	189,850	12,328	3,815	205,993	182,001
Outside contractors	154,039	62,241	724,727	76,223	125,135	1,142,365	245,542	-	1,387,907	1,126,183
Total personnel costs	1,551,948	3,620,562	5,268,575	753,403	651,975	11,846,463	904,933	227,899	12,979,295	12,193,339
	12.0%	27.9%	40.6%	5.8%	5.0%	91.3%	7.0%	1.7%	100.0%	
Operating expenses:										
Occupancy	-	113,377	279,157	-	-	392,534	435,347	-	827,881	817,172
Uniforms	-	81,118	83,100	-	-	164,218	-	-	164,218	163,117
Recruitment & staff development	2,257	13,355	555	7,678	6,091	29,936	106,299	-	136,235	132,058
Depreciation	-	-	-	-	-	-	258,898	-	258,898	219,953
Insurance	9,705	93,855	272,124	-	-	375,684	46,336	-	422,020	429,026
Printing	50,511	1,232	12,853	4,492	22,302	91,390	2,929	-	94,319	103,779
Professional fees	13,421	-	2,000	-	-	15,421	64,118	-	79,539	137,228
Repairs and maintenance	2,152	17,653	74,442	21	-	94,268	187,377	-	281,645	184,564
Supplies, equipment & other costs	39,196	31,603	326,140	23,098	24,513	444,550	294,481	-	739,031	755,138
Planning costs	182,817	-	-	210,975	-	393,792	-	-	393,792	358,880
Travel and meetings	66,944	26,770	14,730	9,046	9,676	127,166	69,572	-	196,738	164,060
Constituent expenses	-	2,840	1,500	1,050	-	5,390	66,167	-	71,557	59,325
Project expenses	4,145,532	32,636	863,279	-	134,410	5,175,857	5,820	-	5,181,677	3,929,867
Total operating expenses	4,512,535	414,439	1,929,880	256,360	196,992	7,310,206	1,537,344	-	8,847,550	7,454,167
	51.0%	4.7%	21.8%	2.9%	2.2%	82.6%	17.4%	0.0%	100.0%	
Total expenses	\$ 6,064,483	\$ 4,035,001	\$ 7,198,455	\$ 1,009,763	\$ 848,967	\$ 19,156,669	\$ 2,442,277	\$ 227,899	\$ 21,826,845	\$ 19,647,506
	27.8%	18.5%	33.0%	4.6%	3.9%	87.8%	11.2%	1.0%	100.0%	

TIMES SQUARE DISTRICT MANAGEMENT ASSOCIATION, INC.
Schedule of Expenses and Budget
(Supplemental Financial Information)
Fiscal year ended June 30, 2018

	Total Expenses	Less In-Kind Contributions	Net Expenses	Assessment Budget
Personnel costs:				
Executive salaries	\$ 1,248,706	\$ -	\$ 1,248,706	\$ 1,188,685
Support salaries	2,520,787	-	2,520,787	2,609,813
Hourly staff	4,721,430	-	4,721,430	4,500,922
Payroll taxes and benefits	2,894,472	-	2,894,472	3,261,225
Pension	205,993	-	205,993	234,840
Outside contractors	1,387,907	-	1,387,907	904,260
Total personnel costs	12,979,295	-	12,979,295	12,699,745
Operating expenses:				
Occupancy	827,881	-	827,881	733,790
Uniforms	164,218	-	164,218	151,000
Recruitment & staff development	136,235	-	136,235	130,500
Depreciation	258,898	-	258,898	10,000
Insurance	422,020	-	422,020	455,261
Printing	94,319	-	94,319	190,500
Professional fees	79,539	(27,868)	51,671	38,250
Repairs and maintenance	281,645	-	281,645	146,000
Supplies, equipment & other costs	739,031	-	739,031	671,496
Planning costs	393,792	-	393,792	567,000
Travel and meetings	196,738	-	196,738	190,550
Constituent expenses	71,557	-	71,557	52,699
Project expenses	5,181,677	-	5,181,677	4,879,000
Total operating expenses	8,847,550	(27,868)	8,819,682	8,216,046
Total expenses	\$21,826,845	\$ (27,868)	\$21,798,977	\$ 20,915,791

TIMES SQUARE DISTRICT MANAGEMENT ASSOCIATION, INC.
Schedule of Public Plaza Activities and Budget
(Supplemental Financial Information)
Fiscal year ended June 30, 2018

	<u>Actual Activity</u>	<u>DOT Plaza Budget</u>
Support and Revenues:		
Concession, sponsors and event fees	<u>\$ 1,539,905</u>	<u>\$ 1,645,000</u>
Expenses:		
Cleaning/Trash Removal (Sanitation)	1,492,369	1,436,060
Landscape Maintenance (Sanitation)	670,850	110,000
Repairs/Replacement (Sanitation)	-	150,000
Public Safety (Safety)	324,623	1,127,124
Equipment/Supplies/Other (Sanitation, Safety)	244,163	157,992
Special events (Events & Programming, Sanitation)	<u>997,632</u>	<u>874,496</u>
Total expenses	<u>3,729,637</u>	<u>3,855,672</u>
Administrative costs:		
Professional fees	2,000	2,000
14% administrative fee	<u>522,643</u>	<u>540,072</u>
Total administrative costs	<u>524,643</u>	<u>542,072</u>
Total expenses	<u>4,254,280</u>	<u>\$ 4,397,744</u>
Excess/(deficit) revenues from plaza activities	<u>\$ (2,714,375)</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 14 in the (program) noted above.