

**FASHION CENTER DISTRICT MANAGEMENT  
ASSOCIATION, INC.  
(D/B/A GARMENT DISTRICT ALLIANCE)**

**FINANCIAL STATEMENTS  
AND  
AUDITORS' REPORT**

**JUNE 30, 2018 AND 2017**

**FASHION CENTER DISTRICT MANAGEMENT ASSOCIATION, INC.  
(D/B/A GARMENT DISTRICT ALLIANCE)**

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## INDEPENDENT AUDITORS' REPORT

To: The Board of Directors of  
Fashion Center District Management Association, Inc.  
(d/b/a Garment District Alliance)

We have audited the accompanying financial statements of Fashion Center District Management Association, Inc. (d/b/a Garment District Alliance), 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 Fashion Center District Management Association, Inc. (d/b/a Garment District Alliance) 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 3, 2018

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

**FASHION CENTER DISTRICT MANAGEMENT ASSOCIATION, INC.  
(D/B/A GARMENT DISTRICT ALLIANCE)  
STATEMENTS OF FINANCIAL POSITION  
JUNE 30, 2018 AND 2017**

	<b>2018</b>	<b>2017</b>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 4,939,754	\$ 3,390,694
Program revenue and other receivables	21,000	29,432
Prepaid expenses	124,231	73,390
Investments	-	1,509,732
Property and equipment, net	9,924	12,404
Total assets	\$ 5,094,909	\$ 5,015,652

**LIABILITIES AND NET ASSETS**

Liabilities:		
Accounts payable and accrued expenses	\$ 211,987	\$ 221,472
Deferred rent	80,524	-
Security deposits payable	5,000	5,000
Total liabilities	297,511	226,472
Commitments and contingencies (see notes)		
Net Assets:		
Unrestricted	4,797,398	4,789,180
Temporarily restricted	-	-
Permanently restricted	-	-
Total net assets	4,797,398	4,789,180
Total liabilities and net assets	\$ 5,094,909	\$ 5,015,652

**See accompanying notes to the financial statements.**

**FASHION CENTER DISTRICT MANAGEMENT ASSOCIATION, INC.**  
**(D/B/A GARMENT DISTRICT ALLIANCE)**  
**STATEMENTS OF ACTIVITIES**  
**YEARS ENDED JUNE 30, 2018 AND 2017**

	<b>2018</b>	<b>2017</b>
<b>Support and Revenues:</b>		
Unrestricted:		
Assessment revenue	\$ 8,800,000	\$ 7,800,000
Contributions	-	4,450
Government grants	40,000	-
Program service income	142,714	194,260
Investment income	26,893	11,668
Total support and revenues	9,009,607	8,010,378
<b>Expenses:</b>		
Program Expenses:		
Marketing and promotion	1,080,520	966,082
Security	1,761,250	1,590,199
Sanitation	3,259,076	2,435,296
Social services	96,534	94,858
Capital and development projects	1,478,461	1,368,145
Total program expenses	7,675,841	6,454,580
Management and general	1,325,548	1,285,245
Total expenses	9,001,389	7,739,825
Increase/(Decrease) In Net Assets:		
Unrestricted	8,218	270,553
Temporarily restricted	-	-
Permanently restricted	-	-
Increase/(decrease) in net assets	8,218	270,553
Net assets, beginning of year	4,789,180	4,518,627
Net assets, end of year	\$ 4,797,398	\$ 4,789,180

**See accompanying notes to the financial statements.**

**FASHION CENTER DISTRICT MANAGEMENT ASSOCIATION, INC.**  
**(D/B/A GARMENT DISTRICT ALLIANCE)**  
**STATEMENTS OF CASH FLOWS**  
**YEARS ENDED JUNE 30, 2018 AND 2017**

	<b>2018</b>	<b>2017</b>
Cash flows from operating activities:		
Increase/(decrease) in net assets	\$ 8,218	\$ 270,553
Adjustments for non-cash items included in operating activities:		
Depreciation	2,480	10,798
Investment (gains)/losses	1,002	(1,518)
Accrued investment interest	-	4,301
Bond premium/(discount) amortization	(12,924)	3,778
Changes in assets and liabilities:		
Accrued expenses	(9,485)	(81,050)
Deferred rent	80,524	-
Program revenue and other receivables	8,432	18,507
Prepaid expenses	(50,841)	128,698
Net cash provided/(used) by operating activities	27,406	354,067
Cash flows from investing activities:		
Purchase of debt investments	(1,512,346)	(2,971,737)
Redemption of debt investments	3,034,000	2,960,000
Net cash provided/(used) by investing activities	1,521,654	(11,737)
Cash flows from financing activities	-	-
Net increase/(decrease) in cash and cash equivalents	1,549,060	342,330
Cash and cash equivalents at beginning of year	3,390,694	3,048,364
Cash and cash equivalents at end of year	\$ 4,939,754	\$ 3,390,694

**See accompanying notes to the financial statements.**

**FASHION CENTER DISTRICT MANAGEMENT ASSOCIATION, INC.**  
**(D/B/A GARMENT DISTRICT ALLIANCE)**  
**NOTES TO FINANCIAL STATEMENTS**

Note 1 - Summary of Significant Accounting Policies

The Association

Fashion Center District Management Association, Inc. (Association), a not-for-profit organization, was incorporated in the State of New York on April 20, 1993. On December 23, 2013, the Association filed a certificate of assumed name with the State of New York. In accordance with the certificate of assumed name, the Association has been doing-business-as (d/b/a) Garment District Alliance. The Association is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for federal, state or local income taxes has been recorded. The Association does not believe its financial statements contain any uncertain tax positions. The Association primarily receives its support from a real estate special assessment levied by The City of New York (City) on properties located in the Fashion Center Business Improvement District (BID). The BID's boundaries are approximately from 35<sup>th</sup> Street to 41<sup>st</sup> Street, between Fifth Avenue and Ninth Avenue.

The Association's programs include the following: Marketing and Promotion - promoting the district to residents and tourists; Security - 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; Social Services - to develop and implement social programs and coordinate with other social service organizations located in the district; and Capital and Development Projects - improving the overall appearance of the district through a combination of projects including lighting and public fixtures.

Basis of Accounting

The financial statements of the Association have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Basis of Presentation

In accordance with GAAP the Association 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 Association 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.

**FASHION CENTER DISTRICT MANAGEMENT ASSOCIATION, INC.**  
**(D/B/A GARMENT DISTRICT ALLIANCE)**  
**NOTES TO FINANCIAL STATEMENTS**

Note 1 - Summary of Significant Accounting Policies (Continued)

Cash and Cash Equivalents

For the purposes of the statements of financial position and the statements of cash flows, the Association considers as cash equivalents money market funds and all highly liquid resources, such as investments in certificates of deposits and treasury bills, with an original maturity of three months or less.

Property and Equipment

The Association 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 amortized 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 Association when earned. The City remits these assessments to the Association 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.

All contributions are considered available for the Association'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.

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.

In accordance with grant provisions, grants are recorded as revenue when earned, either through expenditure or accomplishment of a specific goal or benchmark. All unreimbursed expenses as of the period-end are recorded as grant receivable and all advanced funds not expended are recorded as refundable advances.



**FASHION CENTER DISTRICT MANAGEMENT ASSOCIATION, INC.**  
**(D/B/A GARMENT DISTRICT ALLIANCE)**  
**NOTES TO FINANCIAL STATEMENTS**

Note 1 - Summary of Significant Accounting Policies (Continued)

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 Association allocates salaries based on estimated time and other expenses are allocated based on usage. The Association classifies expenses, which are not directly related to a specific program, as Management and General expenses.

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. All receivables are expected to be received within one year and as such have been stated at their net realizable value with no allowance for uncollectable receivables.

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 and dividends) is recognized as revenue in the period earned, and gains and losses (realized and unrealized) are recognized in the period they occur.

Note 2 - 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, and exchange traded funds.

**FASHION CENTER DISTRICT MANAGEMENT ASSOCIATION, INC.**  
**(D/B/A GARMENT DISTRICT ALLIANCE)**  
**NOTES TO FINANCIAL STATEMENTS**

Note 2 - Fair Value Measurement of Investments (Continued)

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.

As of June 30, 2017, all of the Organization's investments fall within Level 2 of the fair value hierarchy. As of June 30, 2018, all of the Organization's investments were sold.

Management determines the fair value measurement valuation policies and procedures, including those for Level 3 recurring and nonrecurring measurements. The Organization's Board of Directors assesses and approves these policies and procedures. At least annually, Management: (1) determines if the current valuation techniques used in fair value measurements are still appropriate, and (2) evaluates and adjusts the unobservable inputs used in the fair value measurements based on current market conditions and third-party information.

The Organization recognizes transfers between levels in the fair value hierarchy at the end of the reporting period.

Note 3 - Cash and Cash Equivalents

Cash and cash equivalents consisted of the following at June 30, 2018 and 2017:

	<u>2018</u>	<u>2017</u>
Checking and savings	\$4,592,887	\$3,049,255
Money market funds	<u>346,867</u>	<u>341,439</u>
	<u>\$4,939,754</u>	<u>\$3,390,694</u>

**FASHION CENTER DISTRICT MANAGEMENT ASSOCIATION, INC.**  
**(D/B/A GARMENT DISTRICT ALLIANCE)**  
**NOTES TO FINANCIAL STATEMENTS**

**Note 4 - Investments**

Investments in United States Treasury Bills include the following fair values and unrealized appreciation at June 30, 2018 and 2017:

	<u>2018</u>	<u>2017</u>
Fair market value (Level 2)	\$ -	\$ 1,509,732
Adjusted cost	-	<u>1,508,076</u>
Unrealized appreciation/(depreciation)	<u>\$ -</u>	<u>\$ 1,656</u>

Investment income reported in the statements of activities for the years ended June 30, 2018 and 2017 is as follows:

	<u>2018</u>	<u>2017</u>
Interest from bank accounts and funds	\$ 9,501	\$ 6,382
Interest from investments	5,470	7,546
Amortization of bond (premium)/discount	12,924	( 3,778)
Investment gains/(losses)	<u>( 1,002)</u>	<u>1,518</u>
Total investment income	<u>\$ 26,893</u>	<u>\$ 11,668</u>

**Note 5 - 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>
Leasehold improvements	\$ 700,580	\$ 700,580
Kiosk	24,804	24,804
Office equipment	31,538	31,538
Radio and communications	43,385	43,385
Furniture and fixtures	<u>11,615</u>	<u>11,615</u>
	811,922	811,922
Less: Accumulated depreciation and amortization	<u>(801,998)</u>	<u>(799,518)</u>
	<u>\$ 9,924</u>	<u>\$ 12,404</u>

**Note 6 - Fundraising Activities**

The Association does not engage in any organized fundraising activity internally but does solicit contributions from individuals and corporations in an informal manner. The costs associated with the fundraising activities are deemed negligible, and as such, have not been identified on the accompanied financial statements.

**FASHION CENTER DISTRICT MANAGEMENT ASSOCIATION, INC.**  
**(D/B/A GARMENT DISTRICT ALLIANCE)**  
**NOTES TO FINANCIAL STATEMENTS**

**Note 7 - Commitments, Contingencies and Related Party**

The Association leases office space under a noncancellable operating lease from a board member at below fair market value. As of June 30, 2018 the minimum aggregate annual rental commitments are as follows:

Year ended June 30, 2019	\$ 475,932
2020	487,830
2021	500,026
2022	512,527
2023	525,340
2024 to 2027	1,894,285

Total rent and related expense charged to operations for the years ended June 30, 2018 and 2017 was \$577,574 and \$400,795, respectively.

**Note 8 - Public Plaza License**

The Association signed a five year license agreement, with renewal options, with the New York City Department of Transportation (DOT) to manage and maintain multiple public pedestrian plazas located within the district. The agreement allows the Association 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 9 - Concentrations**

The Organization maintains its cash, cash equivalents and investments in various 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. At times, the balances of the accounts may have exceeded insured limits during the years ended June 30, 2018 and 2017.

**FASHION CENTER DISTRICT MANAGEMENT ASSOCIATION, INC.**  
**(D/B/A GARMENT DISTRICT ALLIANCE)**  
**NOTES TO FINANCIAL STATEMENTS**

Note 10 - Pension Plan

Effective January 1, 2004 the Association 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 Association to make discretionary contributions based on the participant's salary. The Association contributions to the plan that were charged to operations amounted to \$109,641 for 2018, and \$112,446 for 2017.

Note 11 - Government Grants

During the year ended June 30, 2018, the Organization was awarded various grants by governmental entities. Total expenses expended under the grants amounted to \$40,000 for the year ended June 30, 2018.

Note 12 - Subsequent Events

Subsequent events were evaluated for potential additional disclosures and corrections through October 3, 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  
Fashion Center District Management Association, Inc.  
(d/b/a Garment District Alliance)

We have audited the financial statements of Fashion Center District Management Association, Inc. (d/b/a Garment District Alliance) as of and for the years ended June 30, 2018 and 2017, and have issued our report thereon dated October 3, 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 3, 2018

*Skody Scot & Company, CPAs, PC*

**FASHION CENTER DISTRICT MANAGEMENT ASSOCIATION, INC.**  
**(D/B/A GARMENT DISTRICT ALLIANCE)**  
**SCHEDULE OF FUNCTIONAL EXPENSES**  
**(Supplemental Financial Information)**  
**YEAR ENDED JUNE 30, 2018 WITH COMPARATIVE TOTALS FOR 2017**

	<b>2 0 1 8</b>								<b>2017</b>
	<b>Program Expenses</b>					<b>Supporting</b>			
	Marketing and Promotion	Security	Sanitation	Social Services	Capital & Development Projects	Total Program	Management and General	Total Expenses	Total Expenses
Personnel costs:									
Executive salaries	\$ 132,112	\$ 151,351	\$ 156,776	\$24,465	\$ 137,004	\$ 601,708	\$ 97,860	\$ 699,568	\$ 668,079
Support salaries	152,448	173,493	252,995	-	74,890	653,826	235,405	889,231	835,797
Hourly staff	-	944,402	1,520,650	-	-	2,465,052	-	2,465,052	1,848,701
Payroll taxes and benefits	86,821	380,579	829,423	2,869	41,166	1,340,858	111,249	1,452,107	1,240,797
Pension	12,130	31,821	41,657	1,491	10,292	97,391	12,250	109,641	112,446
Outside contractors	314,694	-	227,240	-	-	541,934	-	541,934	345,173
Total personnel costs	698,205	1,681,646	3,028,741	28,825	263,352	5,700,769	456,764	6,157,533	5,050,993
Direct expenses:									
Depreciation and amortization	-	-	-	-	-	-	2,480	2,480	10,798
Events	38,179	-	-	-	163,243	201,422	-	201,422	107,163
Horticulture	-	-	-	-	426,250	426,250	-	426,250	335,003
Insurance	67,969	53,260	112,424	-	32,812	266,465	43,646	310,111	258,947
Rent and utilities	-	-	-	-	-	-	577,574	577,574	400,795
Postage	-	-	-	-	-	-	2,086	2,086	4,031
Printing	-	-	-	-	-	-	29,191	29,191	48,111
Professional fees	-	-	-	-	-	-	50,575	50,575	55,342
Equipment/supplies	-	22,609	94,781	-	403,168	520,558	1,112	521,670	388,525
Office expenses	-	-	-	-	-	-	74,773	74,773	128,806
Promotion	25,075	-	-	-	-	25,075	-	25,075	129,507
Telephone	-	-	-	-	-	-	13,504	13,504	12,629
Travel and meetings	-	-	-	-	-	-	49,175	49,175	54,316
Uniform and recruitment	-	3,735	23,130	-	-	26,865	-	26,865	14,634
Repairs and maintenance	-	-	-	-	-	-	24,668	24,668	48,352
Project expenses	243,481	-	-	67,709	189,636	500,826	-	500,826	683,171
Website design & maintenance	7,611	-	-	-	-	7,611	-	7,611	8,702
Total direct expenses	382,315	79,604	230,335	67,709	1,215,109	1,975,072	868,784	2,843,856	2,688,832
Total expenses	<u>\$1,080,520</u>	<u>\$1,761,250</u>	<u>\$3,259,076</u>	<u>\$96,534</u>	<u>\$1,478,461</u>	<u>\$7,675,841</u>	<u>\$1,325,548</u>	<u>\$9,001,389</u>	<u>\$7,739,825</u>

**FASHION CENTER DISTRICT MANAGEMENT ASSOCIATION, INC.**  
**(D/B/A GARMENT DISTRICT ALLIANCE)**  
**SCHEDULE OF EXPENSES AND BUDGET**  
**(Supplemental Financial Information)**  
**YEAR ENDED JUNE 30, 2018**

	<u><b>Total Expenses</b></u>	<u><b>Operating Budget</b></u>
Personnel costs:		
Executive salaries	\$ 699,568	\$ 697,683
Support salaries	889,231	873,071
Hourly staff	2,465,052	2,116,344
Payroll taxes and benefits	1,452,107	1,628,700
Pension	109,641	120,675
Outside contractors	541,934	425,700
Total personnel costs	<u>6,157,533</u>	<u>5,862,173</u>
Direct expenses:		
Depreciation and amortization	2,480	30,000
Events	201,422	200,000
Horticulture	426,250	694,433
Insurance	310,111	316,000
Rent and utilities	577,574	356,700
Postage	2,086	4,000
Printing	29,191	39,000
Professional fees	50,575	47,000
Equipment/supplies	521,670	192,200
Office expenses	74,773	24,000
Promotion	25,075	40,000
Telephone	13,504	18,000
Travel and meetings	49,175	47,000
Uniform and recruitment	26,865	29,000
Repairs and maintenance	24,668	47,000
Project expenses	500,826	1,218,820
Website design & maintenance	7,611	10,000
Total direct expenses	<u>2,843,856</u>	<u>3,313,153</u>
Total expenses	<u><u>\$ 9,001,389</u></u>	<u><u>\$ 9,175,326</u></u>



**FASHION CENTER DISTRICT MANAGEMENT ASSOCIATION, INC.**  
**(D/B/A GARMENT DISTRICT ALLIANCE)**  
**SCHEDULE OF PUBLIC PLAZA**  
**ACTIVITIES AND BUDGET**  
**(Supplemental Financial Information)**  
**YEAR ENDED JUNE 30, 2018**

	<u>Actual Activity</u>	<u>DOT Plaza Budget</u>
<b>Support and Revenues:</b>		
Concession fees, sponsorships and gifts	\$ 142,714	\$ 110,000
<b>Expenses:</b>		
Direct expenses:		
Cleaning/trash removal (Cap & Dev Proj)	391,089	347,000
Public safety (Security)	528,375	566,700
Landscape maintenance (Cap & Dev Proj)	305,090	240,000
Repairs/replacement (Cap & Dev Proj)	6,575	204,433
Equipment, supplies, and other (Cap & Dev Proj)	44,547	-
Events (Cap & Dev Proj)	163,243	250,000
Total direct expenses	1,438,919	1,608,133
Administrative costs:		
Administration allocation	203,404	202,400
Total administrative costs	203,404	202,400
Total expenses	1,642,323	1,810,533
Excess/(deficit) revenues from plaza activities	\$ (1,499,609)	
Balance of Accrual Fund, at end of year	\$ -	

Note - The above information is prepared in accordance with agreement #CT 841 20100012953 with New York City Department of Transportation dated October 29, 2009 and amended on December 7, 2010. The above expenses are included on Page 13 in the (program) noted above.