



Finance & Audit Advisory Committee

September 16, 2021 – 9:00 -10:30 am
Hybrid Meeting at 291 Geary Street, Suite 200 and Virtual Communication System Zoom

MINUTES

In attendance

Committee Members: Russell D. Keil Jr., Julie Taylor, Mark Purdy, Paul Sandberg, James Sangiacomo, Stephen Brett, J. Timothy Falvey, and Jeff Evans.

Staff and contract service providers: Karin Flood (Executive Director), Ben Horne (Deputy Director), Zarrina Yousufzai (Administrative Coordinator), Melanie Medina (Intern), Kimberly Robertson (Engagement Partner; Marcum), and Shane Mowery (Senior Audit Manager; Marcum).

Guests: Martina Uner (Touchstone Hotel)

1. Call to Order and Introductions

Observing a quorum present, Karin Flood called the meeting to order at 9:05am.

2. Public Comment

Karin called for public comment. Seeing none, she moved to the next agenda item.

3. Action to approve the July 15, 2021, minutes.

Karin and Ben summarized the action items taken during last meeting and members reviewed minutes that were previously sent out.

Action: The committee unanimously approved the July 15, 2021, minutes as motioned by Paul Sandberg and seconded by Mark Purdy. No public comment received prior to action.

4. Since we last met & updates

Ben first explained to the committee his status with a family emergency medical matter (and travel) and apologized for not having the August financial reports prepared. He committed to have them prepared and sent out by Tuesday of the following week. He thanked Karin and the Committee for their patience and understanding with this matter.

- Executive Director Hiring Update

An individual has been selected and has verbally agreed to terms. Their offer letter has been extended and will be finalized by the end of today. The new Exec. Director start date will hopefully be no later than October 15.



- PPP updates

SBA announced that the direct application for loan forgiveness will be available mid-October. It was suggested by Wells Fargo to not go direct but to work through Wells Fargo process for apply for forgiveness. Once received, the forgiveness of the loan will be recognized as revenue in the current fiscal year. Members asked why Wells Fargo recommended going through them. A reason was not given but since they helped with the first PPP forgiveness, and it was 100% forgiven staff was inclined to accept their reservation.

- Union Square Park Agreement

Our Park agreement ended in August but has been extended through September. First proposal (to vastly increase services and add private security) was denied due to budget constraints. A second proposal was reviewed which included replacing the daily cleaner with an ambassador and eliminating the Park closing time security. Currently waiting for a response from Dana.

- Union Square Foundation and 12/2 Event

The event is in the process of being determined whether it should be a lunch or evening event; or cancelling the event all together. Waiting to hear back from the rest of the Board for their opinions.

- Annual Report

The annual report is still in progress and will be reviewed by the Board next week. The report must be submitted to the City by end of the month and then mailed to the property owners (via postcard with link) in October. Ben mentioned additional requirements for the report that were imposed by the City. A discussion took place about the legality of the additional requirements.

5. Assessment payments received June 23, 2021, and receivables review

Ben went over the assessment receivables which now has a balance of \$39K. A payment was received of an additional \$35K in August 2021. It was suggested that the City should follow up with the properties about their status update of their payments especially with properties that have delinquents in prior years but not in most recent fiscal year.

6. Audit Review with Marcum and Action to make recommendation to the Board of Directors to Approve 20-21FY

Kim Robertson led the audit review and went over the financial statements while Shane Mowery discussed the audit committee letter. Our assets totaled \$3.3 million and increased by \$200K from the previous FY, liabilities totaled to \$1 million and increased by \$255K, and net assets totaled \$2.2 million and decreased \$55K. The overall revenue and support had some fluctuations over the years but totaled \$7 million and increased by \$169K since FY20;



while the expenses had more consistency overall with an increase in clean and safety and totaled at \$7 million with an increase of \$713K.

Shane then summarized the notes from the financial statements which included our name change from USBID to Union Square Alliance and overall financial consistency from FY20. Also, he mentioned two new standards that need to be adopted: 1) require lessee to record lease assets and liabilities on statement of financial position for leases with terms of 12 months or more, 2) Require nonprofits to change their financial statement presentation and disclosure of contributed nonfinancial assets, or gifts-in-kind.

Action: The committee unanimously approved to make recommendation to the Board of Directors to approve 20-21FY audit report as motioned by Tim Falvey and seconded by Russ D. Keil Jr. No public comment received prior to action.

7. Next Meeting & Events

- Board Meeting – September 23, 2021, at 9am (Annual Meeting through ZOOM)
- Executive Committee meeting – August 26, 2021, at 9am
- Finance & Audit Committee Meeting – November 11, 2021, at 9am.

8. Adjournment

Karin adjourned the meeting at 10:10am.