



Regular Meeting of the Finance & Audit Advisory Committees
September 19, 2019 – 9:00am
323 Geary Street, Suite 203

MINUTES

In attendance

Finance Committee Members: James Sangiacomo, Stephen Brett, J. Timothy Falvey, James C. Flood, Russell D. Keil, Jr., Wes Tyler, Tad Moore, Jeff Evans, and Ron Marano.

USBID Staff & Contract Service Providers: Karin Flood, Ben Horne, Zarrina Yousufzai, Michelle Ly (Marcum), and Kimberly Robertson (Marcum).

1. Call to order

Karin called the meeting to order at 9:05am. Introductions were made.

2. Public comment

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

3. Action to approve the July 18, 2019 minutes.

The July 18, 2019 minutes were reviewed by members and unanimously approved, as motioned by Wes Tyler and seconded by Jeff Evans.

4. Since we last met & updates

- Insurance Broker selection process
Ben is looking for a new Insurance Broker and gave a brief outline of what he expects out of each firm. A discussion took place regarding potential brokers.
- City Contract update and services rollout
The City Contract has been submitted and is in the process of being reviewed by OEWD. Additionally, the new services will rollout beginning November 1, 2019. For the month of October, Block by Block will be using their banked hours to begin the hiring process for the new services.
- Winter Walk
Winter Walk 2019 will be held on the two blocks of Maiden Lane and one block of Grant Avenue. In order to close Maiden Lane and Grant Avenue, they have to go through the ISCOTT permitting process. Furthermore, the committee discussed the potential sponsorships pricing. The goal is to raise \$350,000 in sponsorships for Winter Walk.
- Union Square Foundation Fundraiser – December 11, 2019

The Union Square Foundation's Holiday Fundraiser will be held on December 11, 2019 at the newly renovated Lizzie's Starlight Room at the Sir Francis Drake Hotel. Everyone's welcome.

5. Line of Credit Update.

Ben updated the committee that the Line of Credit has been approved; however, after the City Contract has been approved, it may need to be extended mid/late November due to increased services beginning November 1 and the needs for more funds in case the first payment does not arrive until early January.

6. Audit Review and Action to make recommendation to the Board of Directors to approve 18-19FY Audit Report.

The Audit Review was led by Michelle Ly and Kimberly Robertson from Marcum. They thoroughly went over the Audit Report and emphasized that the Audit was a success and gave the USBID an A+ and an unmodified (clean) opinion. The key highlights noted were the increase in revenue in all categories, and an increase in investments. A discussion took place regarding the Audit Report and there were few small revisions that needed to be made.

Action: The 18-19FY Audit Report was approved to make recommendation to the Board of Directors as motioned by J. Timothy Falvey, and seconded by Tad Moore.

7. Review and discuss and Action to accept the unaudited financial reports at August 31, 2019 for recommendation to the Board of Directors.

Ben directed the Committee to review the Unaudited Financial Reports handout. The assessments/core operations have a \$674K deficit through August, but due to additional revenue and reduced expenses, the BID received \$63K. Furthermore, the USBID brought in more revenue, about \$13K, due to the security camera donation and other budgeted billings to USF including SoMa West CBD revenue. Net assets (reserves) are at \$1.123mil at the end of August. The USBID would have to draw on a line of credit mid/late November due to increased services and related expenditures. Members reviewed the financial reports and discussed and asked questions.

Action: The Unaudited Financial Reports at August 31, 2019 for recommendation to the Board of Directors was approved, as motioned by Stephen Brett and seconded by Jim Sangiacomo.

8. Next Meetings & Events

- Board Meeting September 26, 2019 at 9:00am at Grand Hyatt
- Union Square Wine Walk October 17, 2019
- Executive Committee October 24, 2019 at 9:00am
- Finance & Audit Committee next meeting November 14, 2019 at 9:00am.

9. Adjournment- Meeting adjourned at 10:33am.