

**Myrtle Avenue Brooklyn District Management Association, Inc.**

**Financial Statements**

**Years Ended  
June 30, 2024 and 2023**

**Myrtle Avenue Brooklyn District Management Association, Inc.**

**June 30, 2024 and 2023**

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## **Independent Auditor's Report**

**The Board of Directors**  
**Myrtle Avenue Brooklyn District Management Association, Inc.**  
**Brooklyn, New York**

### **Opinion**

We have audited the financial statements of Myrtle Avenue Brooklyn District Management Association, Inc. (a not-for-profit Organization), which comprise the statements of financial position as of June 30, 2024, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Myrtle Avenue Brooklyn District Management Association, Inc. as of June 30, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

The financial statements of Myrtle Avenue Brooklyn District Management Association, Inc. as of June 30, 2023 and for the fiscal year then ended were audited by other auditors. Those auditors expressed an unqualified opinion on those financial statements in their report dated November 24, 2023.

### **Basis for Opinion**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Myrtle Avenue Brooklyn District Management Association, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Myrtle Avenue Brooklyn District Management Association, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards (GAAS), we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Myrtle Avenue Brooklyn District Management Association, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Myrtle Avenue Brooklyn District Management Association, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

*Cipriani & Bauer*

**Cipriani & Bauer Certified Public Accountants, LLC**  
**Brooklyn, New York**  
**November 27, 2024**

**Myrtle Avenue Brooklyn District Management Association, Inc.**  
**(a not-for-profit organization)**  
**Statements of Financial Position**  
**June 30, 2024 and 2023**

	<u>Assets</u>	
	<u>June 30, 2024</u>	<u>June 30, 2023</u>
<b>Assets:</b>		
Cash	\$ 576,180	\$ 538,614
Accounts receivable	338,338	433,450
Prepaid expenses	1,266	1,694
<b>Total current assets</b>	<u>915,784</u>	<u>973,758</u>
 <b>Depreciable property:</b>		
Depreciable property	111,989	111,989
Accumulated depreciation	(111,989)	(111,989)
<b>Net depreciable property</b>	<u>-</u>	<u>-</u>
 <b>Other assets:</b>		
Security deposit	4,300	4,300
<b>Total other assets</b>	<u>4,300</u>	<u>4,300</u>
 <b>Total assets</b>	<u>\$ 920,084</u>	<u>\$ 978,058</u>
	 <b><u>Liabilities and Net Assets</u></b>	
<b>Liabilities:</b>		
Accounts payable and accrued expenses	\$ 42,965	\$ 48,676
Prepaid assessment	287,500	287,500
<b>Total liabilities</b>	<u>330,465</u>	<u>336,176</u>
 <b>Net Assets:</b>		
Net assets without donor restrictions	511,302	464,823
Net assets with donor restrictions	78,317	177,059
<b>Total net assets</b>	<u>589,619</u>	<u>641,882</u>
 <b>Total liabilities and net assets</b>	<u>\$ 920,084</u>	<u>\$ 978,058</u>

See accompanying notes to financial statements

**Myrtle Avenue Brooklyn District Management Association, Inc.**  
**(a not-for-profit organization)**  
**Statements of Activities and Changes in Net Assets**  
**For the Year Ended June 30, 2024**  
**(with comparative totals for the Year Ended June 30, 2023)**

	<b><u>Without Donor Restrictions</u></b>	<b><u>With Donor Restrictions</u></b>	<b><u>Total June 30, 2024</u></b>	<b><u>Total June 30, 2023</u></b>
<b>Support and Revenue:</b>				
Assessment revenue	\$ 575,000	\$ -	\$ 575,000	\$ 575,000
Contributions	72,318	-	72,318	157,367
Grants	521,450	-	521,450	591,700
Program service revenue	23,913	-	23,913	5,895
Interest income	1,285	-	1,285	2,553
Net assets released from restrictions	<u>98,742</u>	<u>(98,742)</u>	<u>-</u>	<u>-</u>
<b>Total support and revenue</b>	<u>1,292,708</u>	<u>(98,742)</u>	<u>1,193,966</u>	<u>1,332,515</u>
<b>Expenses:</b>				
Program services	1,131,138	-	1,131,138	1,110,873
Management and general	<u>115,092</u>	<u>-</u>	<u>115,092</u>	<u>88,631</u>
<b>Total expenses</b>	<u>1,246,229</u>	<u>-</u>	<u>1,246,229</u>	<u>1,199,504</u>
<b>Changes in net assets</b>	46,479	(98,742)	(52,263)	133,011
<b>Net assets - beginning</b>	<u>464,823</u>	<u>177,059</u>	<u>641,882</u>	<u>508,871</u>
<b>Net assets - ending</b>	<u>\$ 511,302</u>	<u>\$ 78,317</u>	<u>\$ 589,619</u>	<u>\$ 641,882</u>

See accompanying notes to financial statements

**Myrtle Avenue Brooklyn District Management Association, Inc.**  
**(a not-for-profit organization)**  
**Statements of Cash Flows**  
**For the Years Ended June 30, 2024 and 2023**

<b>Operating Activities:</b>	<b><u>June 30, 2024</u></b>	<b><u>June 30, 2023</u></b>
Changes in net assets	\$ (52,263)	\$ 133,011
Adjustments to reconcile increase (decrease) to cash provided (used) by operating activities:		
Depreciation	-	1,688
(Increase) decrease in operating assets:		
Accounts receivable	95,112	(243,980)
Prepaid expenses	428	(1,694)
Increase (decrease) in operating liabilities:		
Accounts payable and accrued expenses	(5,711)	5,762
Prepaid assessment	-	287,500
Net cash provided by operating activities	<u>37,566</u>	<u>182,287</u>
<b>Investing Activities:</b>		
Streetscape improvements	<u>-</u>	<u>(151)</u>
<b>Financing Activities:</b>		
None	<u>-</u>	<u>-</u>
<b>Net increase in cash</b>	37,566	182,136
<b>Cash - beginning of period</b>	<u>538,614</u>	<u>356,478</u>
<b>Cash - end of period</b>	<u>\$ 576,180</u>	<u>\$ 538,614</u>
<b>Supplemental disclosures:</b>		
None		

See accompanying notes to financial statements

**Myrtle Avenue Brooklyn District Management Association, Inc.**  
**(a not-for-profit organization)**  
**Statements of Functional Expenses**  
**For the Year Ended June 30, 2024**  
**(with comparative totals for the Year Ended June 30, 2023)**

Expenses:	Program Services						Support Services		Total June 30, 2024	Total June 30, 2023
	Public Space Management	District Marketing	Streetscapes & Beautification	Community Initiatives	Business Attraction & Assistance	Planning & Advocacy	Total Program Services	Management and General		
Payroll	\$ 74,214	\$ 82,807	\$ 29,686	\$ 93,743	\$ 38,279	\$ 17,968	\$ 336,697	\$ 53,901	\$ 390,598	\$ 377,509
Payroll taxes, processing & benefits	28,698	27,839	12,388	31,171	12,282	5,681	118,059	17,061	135,120	106,285
Sanitation	209,647	-	-	-	-	-	209,647	-	209,647	208,029
Holiday lighting	-	-	38,882	-	-	-	38,882	-	38,882	39,328
Advertising, marketing and promotion	-	58,561	-	-	-	-	58,561	-	58,561	30,413
Plaza maintenance	11,317	-	-	-	-	-	11,317	-	11,317	7,222
Gardening and horticulture	-	-	38,089	-	-	-	38,089	-	38,089	31,633
Street furniture maintenance	-	-	1,775	-	-	-	1,775	-	1,775	735
Community programs	-	-	-	75,994	-	-	75,994	-	75,994	126,878
NSTAT - Neighborhood Safety Program	-	-	-	132,479	-	-	132,479	-	132,479	112,204
Storefront improvement	-	-	-	-	1,450	-	1,450	-	1,450	4,452
Public art installation	-	-	219	-	-	-	219	-	219	1,375
Events/programming	-	28,891	-	-	-	-	28,891	-	28,891	28,794
Rent	17,358	10,080	8,960	10,640	3,360	1,400	51,798	4,202	56,000	51,600
Utilities	406	237	211	249	79	33	1,214	100	1,315	1,455
Professional fees	4,793	2,784	2,474	2,939	929	387	14,306	1,161	15,466	11,309
Consultants	-	-	-	-	-	-	-	16,812	16,812	21,460
Insurance	-	-	-	-	-	-	-	4,004	4,004	2,325
Computers and software	-	-	-	-	-	-	-	1,097	1,097	6,889
Dues and subscriptions	-	-	-	-	-	-	-	3,702	3,702	2,075
Meetings and conferences	-	-	-	-	-	-	-	5,744	5,744	6,126
Telephone and internet	-	-	-	-	-	-	-	5,383	5,383	5,227
Travel	-	-	-	-	-	-	-	102	102	605
Office expenses	3,929	2,283	2,059	2,410	761	317	11,760	1,572	13,332	13,763
Filing fees and permits	-	-	-	-	-	-	-	250	250	125
Depreciation	-	-	-	-	-	-	-	-	-	1,688
<b>Total expenses</b>	<b>\$ 350,362</b>	<b>\$ 213,482</b>	<b>\$ 134,742</b>	<b>\$ 349,626</b>	<b>\$ 57,139</b>	<b>\$ 25,786</b>	<b>\$ 1,131,138</b>	<b>\$ 115,092</b>	<b>\$ 1,246,229</b>	<b>\$ 1,199,504</b>

See accompanying notes to financial statements

**Myrtle Avenue Brooklyn District Management Association, Inc.**  
**(a not-for-profit organization)**  
**Statement of Functional Expenses**  
**For the Year Ended June 30, 2023**

Expenses:	Program Services						Support Services		Total June 30, 2023
	Public Space Management	District Marketing	Streetscapes & Beautification	Community Initiatives	Business Attraction & Assistance	Planning & Advocacy	Total Program Services	Management and General	
Payroll	\$ 71,727	\$ 80,032	\$ 28,691	\$ 90,602	\$ 36,996	\$ 17,366	\$ 325,414	\$ 52,095	\$ 377,509
Payroll taxes, processing & benefits	22,574	21,898	9,744	24,519	9,661	4,469	92,865	13,420	106,285
Sanitation	208,029	-	-	-	-	-	208,029	-	208,029
Holiday lighting	-	-	39,328	-	-	-	39,328	-	39,328
Advertising, marketing and promotion	-	29,914	-	499	-	-	30,413	-	30,413
Plaza maintenance	7,222	-	-	-	-	-	7,222	-	7,222
Gardening and horticulture	-	-	31,633	-	-	-	31,633	-	31,633
Street furniture maintenance	-	-	735	-	-	-	735	-	735
Community programs	-	-	-	126,878	-	-	126,878	-	126,878
NSTAT - Neighborhood Safety Program	-	-	-	112,204	-	-	112,204	-	112,204
Storefront improvement	-	-	-	-	4,452	-	4,452	-	4,452
Public art installation	-	-	1,375	-	-	-	1,375	-	1,375
Events/programming	-	28,695	-	-	-	-	28,695	99	28,794
Rent	15,994	9,288	8,256	9,804	3,096	1,290	47,728	3,872	51,600
Utilities	449	262	233	276	87	36	1,344	111	1,455
Professional fees	3,505	2,036	1,809	2,149	679	283	10,460	849	11,309
Consultants	-	12,989	-	-	-	-	12,989	8,471	21,460
Insurance	723	419	372	442	140	58	2,153	172	2,325
Computers and software	2,135	1,240	1,102	1,309	413	172	6,371	518	6,889
Dues and subscriptions	-	228	-	-	-	-	228	1,847	2,075
Meetings and conferences	-	-	603	1,090	-	-	1,693	4,433	6,126
Telephone and internet	1,620	941	836	993	314	131	4,835	392	5,227
Travel	-	-	-	-	-	-	-	605	605
Office expenses	4,056	2,357	2,126	2,488	786	327	12,140	1,623	13,763
Filing fees and permits	-	-	-	-	-	-	-	125	125
Depreciation	-	-	1,688	-	-	-	1,688	-	1,688
<b>Total expenses</b>	<b>\$ 338,034</b>	<b>\$ 190,299</b>	<b>\$ 128,531</b>	<b>\$ 373,253</b>	<b>\$ 56,624</b>	<b>\$ 24,132</b>	<b>\$ 1,110,872</b>	<b>\$ 88,632</b>	<b>\$ 1,199,504</b>

See accompanying notes to financial statements

**Myrtle Avenue Brooklyn District Management Association, Inc.**  
**Notes to Financial Statements**  
**June 30, 2024 and 2023**

**Note 1 – Organization**

The Myrtle Avenue Brooklyn District Management Association, Inc. (the “Organization”) was incorporated in New York State on April 8, 2005 under Section 402 of the Not-for-Profit Corporation Law of the State of New York. The Organization was formed to promote commercial revitalization for properties located on Myrtle Avenue from the Flatbush Avenue Extension to Classon Avenue by providing supplemental services such as increased sanitation, business promotion, neighborhood beautification and initiating capital improvements to make the neighborhood cleaner, safer and more attractive.

The Organization receives its annual budget through a special assessment New York City places primarily on commercial property owners within the district’s boundaries, which is then collected by the City of New York. A fixed amount based on the approved budget is turned over to the Organization by the City on a bi-annual basis. The Organization is designated a District Management Association (“DMA”) and is made up of property owners and commercial and residential tenants.

**Note 2 – Date of Management’s Review**

In preparing the financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through November 27, 2024, the date the financial statements were available to be issued.

**Note 3 – Summary of Significant Accounting Policies**

***Basis of Accounting***

The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles (GAAP) and reflect all significant receivables, payables, and other liabilities.

***Basis of Presentation***

The financial statements of the Myrtle Avenue Brooklyn District Management Association, Inc. have been prepared in accordance with U.S. generally accepted accounting principles (“US GAAP”), which require the Organization to report information regarding its financial position and activities according to the following net asset classifications:

**Net assets without donor restrictions** – Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization’s management and the board of directors.

**Net assets with donor restrictions** – Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by the actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

**Myrtle Avenue Brooklyn District Management Association, Inc.**  
**Notes to Financial Statements**  
**June 30, 2024 and 2023**

**Note 3 – Summary of Significant Accounting Policies (*continued*)**

***Cash and Cash Equivalents***

The Organization considers all highly liquid investments financial instruments purchased with a maturity of three months or less to be cash equivalents.

***Use of Estimates***

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from the estimates.

***Equipment and Improvements***

Purchases of furniture, equipment and streetscape improvements which have a useful life of greater than one year and which exceed certain established dollar levels are capitalized and recorded at cost. Donations of the same, are valued at fair market at the time of the donation. Depreciation is provided for annually, based on the useful lives of the assets.

***Functional Allocation of Expenses***

The costs of providing the Myrtle Avenue Brooklyn District Management Association Inc.'s various programs and supporting services have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

***Tax Status***

The Myrtle Avenue Brooklyn District Management Association, Inc. has received determination from the Internal Revenue Service to be exempt from federal income taxes as an Organization under section 501(c)(3) of the Internal Revenue Code and is a publicly supported charity as provided in Section 509(a)(1). The Organization is also registered with the New York State Charities Bureau. As a result, no provision for income taxes has been made in these financial statements.

***Gifts-in-Kind Contributions***

The Organization benefits from services provided by a substantial number of volunteers. Those volunteers have donated significant amounts of time and services in the Organization's programs and operations. GAAP allow recognition of contributed services only if (a) the services create or enhance nonfinancial assets or (b) the services would have been purchased if not provided by contribution, require specialized skills, and are provided by individuals possessing those skills. For the years ended June 30, 2024 and 2023, there were no donated services, supplies and materials.

**Myrtle Avenue Brooklyn District Management Association, Inc.**  
**Notes to Financial Statements**  
**June 30, 2024 and 2023**

**Note 3 – Summary of Significant Accounting Policies *(continued)***

***Comparative Financial Information***

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organizations financial statements for the year ended June 30, 2023, from which the summarized information was derived.

***Leases***

The Organization recognizes and measures its leases in accordance with FASB ASC 842, Leases. The Organization is a lessee in a noncancellable operating lease for office space. The Organization will recognize a lease liability and a right of use (ROU) asset effective December 15, 2019. The lease liability for the lease is initially and subsequently recognized based on the present value of its future lease payments. The discount rate is the implicit rate if it is readily determinable or otherwise the Organization uses its incremental borrowing rate. The implicit rate of the leases is not readily determinable and accordingly, the Organization uses its incremental borrowing rate based on the information available at the commencement date for all leases.

The Organization's incremental borrowing rate for a lease is the rate of interest it would have to pay on a collateralized basis to borrow an amount equal to the lease payments under similar terms and in a similar economic environment. The ROU asset is subsequently measured throughout the lease term at the amount of the remeasured lease liability (i.e., present value of the remaining lease payments), plus unamortized initial direct costs, plus (minus) any prepaid (accrued) lease payments, less the unamortized balance of lease incentives received, and any impairment recognized. Lease cost for lease payments is recognized on a straight-line basis over the lease term. The Organization has recognized a right of use asset for office location and a corresponding lease liability.

The Organization has elected, for all underlying classes of assets, not to recognize the right of use (ROU) assets and lease liabilities for short-term leases that have a lease term of 12 months or less at lease commencement, and do not include an option to purchase the underlying asset that the Organization is reasonably certain to exercise. The Organization recognizes the lease cost associated with its short-term leases on a straight-line basis over the lease term.

***Revenue Recognition***

The Organization recognizes revenues through real estate assessments levied by the City of New York and are recorded when earned. The assessment revenue is recognized on a contract basis with the City of New York's Department of Small Business Services ("NYC SBS"). The contract stipulates that the Organization shall perform "supplementary services" outlined within its contracted budget. NYC SBS remits the assessments in two installments. Since all the assessments are received in the current year there is no allowance for doubtful accounts provided. Any assessment billing errors, or discrepancies are recorded as a direct reduction of the assessment revenue.

**Myrtle Avenue Brooklyn District Management Association, Inc.**  
**Notes to Financial Statements**  
**June 30, 2024 and 2023**

**Note 3 – Summary of Significant Accounting Policies (*continued*)**

***Revenue Recognition (continued)***

In addition, the Organization received grants from governmental agencies. Depending on the terms of the grant, it can either be an exchange transaction or a contribution. In accordance with the grant provisions, the grant can be an expense reimbursement grant which requires that approved expenses be incurred prior to reimbursement by the grantor. Other grants permit advances of grant funds or full payment of grant funds at the start of the grant. If the grant is an exchange type grant, all unreimbursed expenses, for approved purposes, as of year-end are recorded as receivables and any unexpended advances are recorded as refundable advances. If the grant is a contribution, it is recognized in accordance with the contribution recognition policy described below.

Contributions, including unconditional promises to give, are recognized when received. All contributions are reported as increases in unrestricted net assets unless use of the contributed assets is specifically restricted by the donor. Amounts received that are restricted by the donor to use in future periods or for specific purposes are reported as increases in either temporarily restricted or permanently restricted net assets, consistent with the nature of the restriction.

Unconditional promises with payments due in the future years have an implied restriction to be used in the year the payment is due, and therefore are reported as temporarily restricted until the payment is due unless the contribution is clearly intended to support activities of the current fiscal year or is received with permanent restrictions. Conditional promises, such as matching grants, are not recognized until they become unconditional, that is until all conditions on which they depend are substantially met.

Program service fees and payment under cost-reimbursable contracts or grants received in advance are deferred to the applicable period in which the related services are performed, or expenditures are incurred, respectively.

For any exchange transactions, the Company has adopted Accounting Standards Codification 606, Revenue from Contracts with Customers, which provides a five-step analysis of contracts to determine when and how revenue is recognized and replaces most existing revenue recognition guidance in U. S. generally accepted accounting principles.

The Organization recognizes revenue to reflect the transfer of goods and services to customers in an amount equal to the consideration the entity received or expects to receive. The timing of satisfying performance obligation is at the point in time the service is provided. Revenue that is received prior to services performed is deferred until the future period when the work is completed. Based on the Company's evaluation of its contracts the timing and amount of revenue recognized previously is consistent with how revenue is recognized under the new standard. No changes were required to previously reported revenues because of the adoption.

**Myrtle Avenue Brooklyn District Management Association, Inc.**  
**Notes to Financial Statements**  
**June 30, 2024 and 2023**

**Note 4 – Services and Programs**

The Organization provides supplementary services to the commercial district between Flatbush Avenue Extension and Classon Avenue from assessments paid by commercial property owners in the district and collected by the City of New York. The current annual assessment is \$575,000. The Organization’s services and programs consist of the following:

**Public Space Management:**

The Public Space Management Program provides supplementary sanitation services, sidewalk sweeping, emptying of corner garbage bins, graffiti removal, streetlamp and street furniture cleaning and painting, and snow removal at bus shelters and crosswalks.

**District Marketing:**

The District Marketing Program promotes the commercial corridor in order to increase business activity for all retailers within the district. The program includes branding of the shopping district, production of printed promotional materials, attracting new businesses to the district, maintenance of a website and production of daily content, coordinating various social media accounts and email newsletters, media relations, cultural tourism, public art programs, advertising, and the production of special events and programming.

**Business Attraction & Assistance:**

The Business Attraction & Assistance program provides technical assistance and grant making initiatives to the merchant community within the district, with a focus on both business retention and business attraction to maintain a healthy storefront vacancy rate, equip small businesses for success, and collaborate with City agencies and external partners to create a business friendly environment along Myrtle Avenue.

**Streetscape Beautification Program:**

The Streetscape Beautification Program promotes physical and aesthetic improvements to public spaces and the built environment, including the planting and maintenance of street trees and ornamentals, the design, installation, and maintenance of street furniture elements, the creation and maintenance of new public spaces, and providing design assistance and financial incentives to retailers to improve their storefronts and signage.

**Planning & Advocacy:**

The Planning & Advocacy Program includes conducting economic development, public policy, land use, historic preservation, transportation, real estate, and physical planning studies aimed at making future strategic investment and capital improvement decisions for the district.

**Community Initiatives:**

The Community Initiatives Program supports strategic partnerships with community groups and provides employment and mentoring for local youth, and food access programming.

**Myrtle Avenue Brooklyn District Management Association, Inc.**  
**Notes to Financial Statements**  
**June 30, 2024 and 2023**

**Note 5 – Contract with the City of New York**

The City of New York, acting through its Department of Small Business Services, has entered into a contract with the Myrtle Avenue Brooklyn District Management Association, Inc. to provide the Bayside Village area with community improvements, including improving environmental conditions, increasing public safety and supplementing social services. The City shall pay a set sum of assessments collected based on a formula related to the amount of real property owned within the District. The contract was renewed for another five-year term, beginning July 1, 2021 and extends through June 30, 2026. The total assessments given by the City of New York, for the fiscal year ended June 30, 2024 and 2023 were \$575,000 and \$575,000, respectively.

**Note 6 – Contingency**

The Myrtle Avenue Brooklyn District Management Association, Inc. is dependent on assessments against property in the district collected by the New York City Department of Finance. Any change in this level of support could materially impact the ability of the Myrtle Avenue Brooklyn District Management Association, Inc. to continue to operate and provide its services.

**Note 7 – Liquidity and Funds Available**

The following reflects the Organization’s financial assets as of the statement of financial position date available to meet cash needs for general expenditures within one year.

<b>Financial assets at year-end:</b>	<b>June 30, 2024</b>	<b>June 30, 2023</b>
Cash	\$ 576,180	\$ 538,614
Accounts receivable	<u>338,338</u>	<u>433,450</u>
Total assets available for general expenditure	<u>\$ 914,518</u>	<u>\$ 972,064</u>

As part of the Organization’s liquidity management plan, budgets are created annually and reviewed. Upon observing any potential budget deficits, the Organization will review the expenses for any refinement or adjustment of services, review the assessment for potential increase and/or pursue additional grant/funding options.

**Note 8 – Contracts**

***Sanitation Contract***

The Myrtle Avenue Brooklyn District Management Association, Inc. has its contract for supplemental sanitation services with Block by Block. The contract was renewed for a two-year term beginning August 1, 2021 through July 31, 2023. After this initial term, the contract may be renewed for three subsequent one-year terms.

Sanitation fees for the years ended June 30, 2024 and 2023 were \$209,647 and \$208,029, respectively.

**Myrtle Avenue Brooklyn District Management Association, Inc.**  
**Notes to Financial Statements**  
**June 30, 2024 and 2023**

**Note 8 – Contracts (continued)**

Myrtle Avenue Brooklyn District Management Association, Inc. had entered into a two-year agreement to perform certain community activities for \$100,000 per year, commencing July 1, 2020. The community programs to be provided include Fort Green & Farragut Fresh Pantry, Age-Friendly Myrtle Avenue and the Young Entrepreneur Mentorship Program and others. For the years ended June 30, 2024 and 2023 management has opted to continue these programs and has supported them as follows, Fort Green & Farragut Fresh Pantry \$79,000; Age-Friendly Myrtle Avenue \$34,000, and Youth Initiatives, \$14,000.

The Organization also received a \$274,609 contribution from Myrtle Avenue Commercial Revitalization and Development Project LDC (LDC), in June of 2022. This contribution is intended to fund specific community programs at a level consistent with the aforementioned contract (\$100,000 per annum), which ended June 30, 2022. The funds represented the final liquidation of LDC in June of 2022. As of June 30, 2024 and 2023, \$78,317 and \$177,059, respectively, of this donor restricted contribution remain.

**Note 9 - Leases**

The Organization entered into a lease for office space at 472 Myrtle Avenue, Brooklyn, New York. The lease was for two years ending on August 31, 2023. The lease was renewed for another two-year term beginning September 1, 2023 through August 31, 2025 with a monthly rent of \$4,800 per month over the two-year term.

Rent expense for the years ended June 30, 2024, and 2023 was \$56,000 and \$51,600 respectively.

**Note 10 – Subsequent Events**

FASB issued guidance in ASC 855 *Subsequent Events*. ASC 855 established general standards for accounting and disclosure of events occurring subsequent to the statement of financial position due date but prior to issuance of the financial statements. The Organization has evaluated subsequent events through November 27, 2024, the date on which the financial statements were available to be issued.