



Little Italy Association of San Diego – Finance Committee

Thursday, March 24, 2022 at 9:00am

Zoom Virtual Meeting: <https://us02web.zoom.us/j/85956098423>

or call 1-669-900-6833 / Meeting ID: 859 5609 8423 / Password: 3898

**CLOSED SESSION TO DISCUSS MANAGEMENT CONTRACT
AND LEGAL MATTERS ON ITEM 11**

1. Zoom Meeting Protocol & Introductions / Bryan Thompson, Chair

All participants will be put on mute during the topic presentation and then the moderator will unmute the microphones to take comments/feedback. Please keep comments directed to the topic being discussed.

2. Continuing Virtual Meetings Pursuant to AB 361

Action Item P. 3

Find and determine that a state of emergency remains in effect at the state level, and that as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.

3. Next Meeting: _____

4. Non-Agenda: Public Comment & Announcements

5. Review February 18, 2022 Minutes

Action Item P. 4-6

6. YTD Financials

Action Item P. 7-22

7. FY23 Budgets

Action Item P. 23-39

8. Convivio MOU Rent Adjustment

Action Item P. 40-43

9. Auditor's Management Recommendations

Action Item P. 41-65

10. General Liability Insurance Update

11. CLOSED SESSION: BOARD MEMBERS & STAFF TO GO INTO CLOSED SESSION TO DISCUSS MANAGEMENT AGREEMENT COMPENSATION & POTENTIAL LITIGATION. GENERAL PUBLIC WILL BE EXCUSED FOR DURATION OF CLOSED SESSION. ANY DECISIONS MADE WILL BE REPORTED AFTER CLOSED SESSION.

a. Management Agreement Compensation

Action Item

12. Reopen Meeting & Report Findings/Action(s) to Public

13. Chief Executive Administrator Report

14. Old Business – Add or Remove Items

It is the practice of the LIA to formally request that an item under Old Business be pulled from the Agenda and placed on a future Agenda for Discussion and/or Action.

a. Amici Park Redesign & DIF

b. SDHA Tours & Experiences

15. Adjournment

Action Item

LITTLE ITALY ASSOCIATION OF SAN DIEGO

2210 Columbia Street ▪ San Diego, CA 92101 ▪ Phone: 619-233-3898 ▪ Fax: 619-233-4866

Email: mail@littleitalysd.com ▪ Website: www.littleitalysd.com

Facebook / Twitter / Instagram / LinkedIn: LittleItalySD ▪ #LittleItalySD

BROWN ACT. Government Code 54950 (The Brown Act) requires that a brief description of each item to be transacted or discussed be posted at least 72-hours prior to a regular meeting. The Corporation posts all Board and Committee agendas at 2210 Columbia Street, San Diego, CA 92101 and on the LIA website. Action may not be taken on items not identified as such and posted on the agenda. Meeting facilities may be accessible to persons with disabilities. If you require special assistance to participate in the meeting, notify Chris Gomez at 619-233-3898 or via email at chris@littleitalysd.com at least 48-hours prior to the meeting. **VIRTUAL MEETING / COVID-19.** Due to precautions associated with COVID-19 and following current state law (AB 361) regarding the Brown Act, all LIA Board and Committee meetings, until further notice, will be held by teleconference only. Members of the public can listen and participate in meetings over the phone and through the internet.

AB 361 Overview
9/30/2021

On September 16, 2021, AB 361 was adopted on an urgency basis (AB 361, section 9) meaning it has immediate effect. Shortly thereafter, Governor Newsome issued an executive order delaying implementation until October 1. After October 1 and through January 1, 2024 (when the bill sunsets), bodies subject to the Brown Act can continue to meet electronically (without the need to allow the public to participate from a physical location) after making specific findings and subject to added requirements.

Findings

A body subject to the Brown Act may continue to meet virtually when:

- 1) **it is meeting during a proclaimed state of emergency AND**
- 2) **either: state or local officials have imposed or recommended measures to promote social distancing OR the body is meeting to determine or has determined by majority vote, whether as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.**

Thereafter, at least every 30 days the body must make the following findings by majority vote:

- (A) The legislative body has reconsidered the circumstances of the state of emergency.
- (B) Any of the following circumstances exist:
 - (i) The state of emergency continues to directly impact the ability of the members to meet safely in person.
 - (ii) State or local officials continue to impose or recommend measures to promote social distancing

Additional Requirements

In addition to requirements established under the Governor's Executive Orders, public entities that continue to meet virtually must also:

- Allow real-time public comment; may not require public comments to be submitted in advance.
- Allow people to register (get in line) to give public comment during the entire public comment period for a given item.
- Suspend any action in the event of a service interruption. If there is a disruption (within the agency's control) that prevents broadcast of the meeting or prevents the public from providing comments, the body may not take actions until service is restored or those actions may be challenged.



Little Italy Association of San Diego – Finance Committee
Friday, February 18, 2022, at 9:00am Zoom Virtual Meeting:
<https://us02web.zoom.us/j/85956098423> or call 1-669-900-6833/
Meeting ID: 859 5609 8423 / Password: 3898

Committee Jeri Keiller, Annette Casemero, Steve Galasso, Lou Palestini, Danny Mocerì, Bryan Thompson, Catt White, Luke Vinci. Joe Cordileone

Excused Sandi Cottrell, Davis Newton, Rich Gustafson, Frank Stiriti

Staff Marco Li Mandri, Chris Gomez, Rosie DeLuca, Dianne Serna De León

MINUTES

<i>Item</i>	<i>Discussion</i>	<i>Action Taken?</i>
1. Introductions-Bryan Thompson, Chair	The meeting was called to order at 09:00 a.m.	No action taken
2. Continuing Virtual Meetings Pursuant to AB 361	2. Chris stated that the Board and Committee need to ratify a vote during each meeting that states that we will continue to meet via Zoom until The Board and Committee are comfortable with resuming in-person meetings.	2. Bryan Thompson moved to accept the vote to continue meeting via Zoom. Danny Mocerì seconded the motion. Luke Vinci opposed. Unanimously approved.
3. Next Meeting	3. The next Finance Committee Meeting will be on Thursday, March 24, 2022, at 9:00a.m.	3. The date and time of the meeting were approved by consensus.
4. Non-Agenda: Public Comments & Announcements	4. Nothing to report	4. No action taken

5. Review January 14, 2022, Minutes	5. The minutes from January 14, 2022, were reviewed.	5. Danny Mocerì moved to accept the minutes; Lou Palestini seconded the motion. Unanimously approved.
6. YTD Financials	6. Jeri Keiller gave an update on the YTD Financials. Jeri will adjust Mercato's net income on page 16, from \$86,000 to \$160,000	6. Lou Palestini moved to accept YTD Financials Bryan Thompson seconded the motion. Unanimously approved. Jeri Keiller and Catt Fields White abstained.
7. San Diego Farmers Market Percentage Adjustment	7. The Farmer's Market current split is 45/55. Catt Fields White is requesting to keep the split as presented.	7. Jeri Keiller moved to keep the 45/55 split and revisit 6/1/22. Luke Vinci seconded the motion. Unanimously approved. Jeri Keiller and Catt Fields White abstained.
8. MAD CIP Increases	8. Marco gave an update on the MAD CIP increases. Marco suggested that the Finance Committee approve a 5% increase across all assessments; Zones 1, 2 and 3.	8. Danny Mocerì moved to approve the 5% increase on all assessments. Steve Galasso seconded the motion. Luke Vinci opposed. Unanimously approved.
9. Convivio MOU Rent Adjustment	9. Chris suggested that we table Convivio's Rent Adjustment until next month.	9. No action taken
10. Little Italy Dog Park Electrical Improvements	10. Chris suggested that the Association use the \$1,000 left over from the TrustedHousesitters grant to complete electrical improvements at the Dog Park.	10. Danny Mocerì moved to accept the use of the remaining funds, not to exceed \$1K for lighting. Luke Vinci seconded the motion. Unanimously approved.
11. FY23 BID, MAD &	11. Marco stated that we will discuss	11. No action taken

Parking District Budget Preparations	the budget preparations at the staff meeting at the end of the month. We will bring it to Finance and the Board and then we will ratify the budget in March.	
12.PPP Round 2 Forgiveness	12. Chris stated that we are waiting for the approval of the PPP Round 2 Forgiveness.	12. No action taken
13. Little Italy LED Licensing Agreement- \$75 (Jan. 2022)	13. Chris reported that the Association made \$75.00 from the sales of the Little Italy LED sign in January.	13.No action taken
14. San Diego Hospitality Associates Tours	14. Chris stated that the San Diego Hospitality Associates Tours are moving forward.	14. No action taken
15. Closed Session: a. Management Agreement Compensation b. Potential Trip & Fall Litigation	15. The Committee went into closed session to discuss Management Agreement Compensation and Potential Trip and fall Litigation.	15. No action taken
16. Reopen Meeting & Report Findings/ Action(s) to Public	16. Chris reopened the meeting. There is nothing to report.	16. No action taken
17. Chief Executive Administrator Report	17. Marco gave an update on the sidewalk ordinance. Marco gave an update on Wakeland Development. Domini Brunetto is looking for a new investor.	17. No action taken
18. Old Business	18. Chris reported that Fuse Events will contribute 5% from the Bella Vita event in October to the Association.	18. No action taken
19. Adjournment	19. Meeting Adjourned at 10:27am	19. Danny Mocerì moved to adjourn the meeting Bryan Thompson seconded the motion. Unanimously approved.

Minutes taken by: Dianne T. Serna De León, Staff

Little Italy Association of San Diego
Balance Sheet
As of February 28, 2022

Accrual Basis

	Feb 28, 22
ASSETS	
Current Assets	
Checking/Savings	
BID Acct / Torrey Pines	18,527.97
Programs Acct / Torrey Pines	180,777.48
Mercato / Torrey Pines	25,211.12
Parking District / Torrey Pines	226,844.67
MAD Acct / Torrey Pines	269,048.92
Payroll Acct / Torrey Pines	24,519.84
Savings Acct / Torrey Pines	276,479.39
Total Checking/Savings	1,021,409.39
Accounts Receivable	
Accts Rec - MAD	9,160.70
Accts Rec - Parking District	60,615.62
Accts Rec - Programs	3,363.21
Total Accounts Receivable	73,139.53
Other Current Assets	
Endowment Fund	13,202.18
Undeposited Funds	-5,000.00
Total Other Current Assets	8,202.18
Total Current Assets	1,102,751.10
Fixed Assets	
Machinery and Equipment	127,331.00
Improvements-Building/Nursery	56,777.00
Auto/Transport Equipment	106,215.00
Program Equipment	12,000.00
Website design	10,400.00
Accumulated depreciation	-212,715.53
Total Fixed Assets	100,007.47
Other Assets	
Rent deposit	8,450.73
Total Other Assets	8,450.73
TOTAL ASSETS	1,211,209.30
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable - BID	240.73
Accounts Payable - Programs	101.00
Accounts Payable - Mercato	370.00
Accounts Payable - MAD	5,763.91
Total Accounts Payable	6,475.64
Other Current Liabilities	
Unearned Grants	7,500.00
Bollard Advance	130,710.59
Accrued Interest Liability	1,016.00
MAD Advance	95,362.97
Garnishments	25.00
Total Other Current Liabilities	234,614.56
Total Current Liabilities	241,090.20
Long Term Liabilities	
EIDL LOAN	148,475.73
Loan Payable #3 F-150 V8	833.09

Little Italy Association of San Diego
Balance Sheet

Accrual Basis

As of February 28, 2022

	<u>Feb 28, 22</u>
Loan Payable #4 F-150 V6	<u>826.58</u>
Total Long Term Liabilities	<u>150,135.40</u>
Total Liabilities	<u>391,225.60</u>
Equity	
Net unrestricted assets	576,528.59
Net Income	<u>243,455.11</u>
Total Equity	<u>819,983.70</u>
TOTAL LIABILITIES & EQUITY	<u><u>1,211,209.30</u></u>

1:23 PM

Little Italy Association of San Diego
Profit & Loss
 July 2021 through February 2022

Accrual Basis

	BID	MAD	Maintenance No...	Total Parking District	Programs & Operati...	TOTAL
Income						
PPP income second round	0	0	0	0	274,105	274,105
SBEP · SBEP Management Grant	18,448	0	0	0	0	18,448
PROGRAM INCOME	0	0	9,000	22,875	664,170	696,045
BID INCOME	61,427	0	0	0	0	61,427
MAINTENANCE DISTRICT INCOME	0	762,904	0	0	0	762,904
MAINTENANCE NON-ASSESS INCOME	0	0	114,602	0	0	114,602
MERCATO INCOME	0	0	0	0	1,400	1,400
PARKING DISTRICT INCOME	0	0	0	342,331	0	342,331
PARKING DISTRICT REVENUES	0	0	0	79,427	0	79,427
Total Income	79,875	762,904	123,602	444,633	939,675	2,350,689
Gross Profit	79,875	762,904	123,602	444,633	939,675	2,350,689
Expense						
MISC MAINT EXPENSE	0	0	-133	0	0	-133
OFFICE OPERATIONS	26,537	133,754	192	0	22,112	182,594
LANDSCAPE OPERATIONS	0	38,624	0	0	0	38,624
ASSESS DIST OPERATIONAL EXP	0	99,850	761	0	5,061	105,673
PERSONNEL EXPENSE	0	570,406	1,653	-6,974	31,969	597,054
ACCOUNTANT EXPENSE ENTRIES	0	0	16,241	0	10,099	26,339
PROGRAM EXPENSE	0	0	-617	0	198,237	197,620
Maintenance Personnel	0	0	0	0	958	958
NCA Management	29,751	38,000	0	0	105,126	172,877
Office Operational	0	1,166	6,430	0	8,868	16,463
Consulting Services	22,000	0	0	0	0	22,000
SBEP EXPENSES	10,249	0	0	0	0	10,249
MERCATO EXPENSE	0	0	0	0	316,103	316,103
PARKING DISTRICT EXPENSE	0	0	0	418,657	2,154	420,812
Total Expense	88,537	881,799	24,528	411,683	700,687	2,107,234
Net Income	-8,662	-118,896	99,075	32,950	238,988	243,455

9:45 AM

03/15/22

Accrual Basis

Little Italy Association of San Diego
BID Profit & Loss Budget Performance
 February 2022

	Feb 22	Budget	Jul '21 - Feb 22	YTD Budget	Annual Budget
Income					
SBEP · SBEP Management Gra...	0.00		18,448.00		
BID INCOME					
Carry-forward	0.00	0.00	2,011.00	2,011.40	2,011.40
BID Dues	0.00	0.00	1,600.00	0.00	0.00
BID Disbursements	0.00	10,500.00	57,815.92	84,000.00	126,000.00
Total BID INCOME	0.00	10,500.00	61,426.92	86,011.40	128,011.40
Total Income	0.00	10,500.00	79,874.92	86,011.40	128,011.40
Gross Profit	0.00	10,500.00	79,874.92	86,011.40	128,011.40
Expense					
OFFICE OPERATIONS					
Accounting	2,250.00	166.65	4,500.00	2,666.68	4,000.00
Computer Service	0.00	375.00	6,137.90	3,000.00	4,500.00
Dues & subscriptions	0.00	125.00	3,300.00	1,000.00	1,500.00
Insurance	0.00	444.40	1,666.66	2,222.40	4,000.00
Office supplies	771.18	583.33	5,171.63	4,566.68	6,900.00
Printing	0.00	41.66	0.00	333.36	500.00
Phone & Internet	180.60	216.50	1,489.34	1,734.00	2,600.00
Postage	0.00	83.33	271.00	666.68	1,000.00
Rent	500.00	500.00	4,000.00	4,000.00	6,000.00
Web Maintenance	0.00	166.66	0.00	1,333.36	2,000.00
Total OFFICE OPERATIONS	3,701.78	2,702.53	26,536.53	21,523.16	33,000.00
NCA Management					
Staff Administration	2,950.24	5,000.00	29,751.20	40,000.00	60,000.00
Total NCA Management	2,950.24	5,000.00	29,751.20	40,000.00	60,000.00
Consulting Services					
PR	2,750.00	2,750.00	22,000.00	22,000.00	33,000.00
Total Consulting Services	2,750.00	2,750.00	22,000.00	22,000.00	33,000.00
Contingency	0.00	0.00	0.00	2,011.40	2,011.40
SBEP EXPENSES					
Staff Administration (SBEP)	2,049.76	0.00	10,248.80	0.00	0.00
Total SBEP EXPENSES	2,049.76	0.00	10,248.80	0.00	0.00
Total Expense	11,451.78	10,452.53	88,536.53	85,534.56	128,011.40
Net Income	-11,451.78	47.47	-8,661.61	476.84	0.00

11:02 AM

Little Italy Association of San Diego
MAD Profit & Loss Budget Performance
February 2022

03/15/22

Accrual Basis

	Feb 22	Budget	Jul '21 - Feb 22	YTD Budget	Annual Budget
Income					
MAINTENANCE DISTRICT INCOME					
MAD Assessments	95,362.96	96,069.33	762,903.64	768,554.64	1,152,831.96
MAD Gas Tax	0.00	314.08	0.00	2,512.64	3,768.96
MAD General Benefit Income	0.00	3,628.92	0.00	29,031.36	43,547.04
MAD City Administration	0.00	-291.67	0.00	-2,333.36	-3,500.04
MAD Spec Dist Lighting	0.00	-2,916.67	0.00	-23,333.36	-35,000.04
MAD Delinquency Factor 1.5%	0.00	-1,441.04	0.00	-11,528.32	-17,292.48
Total MAINTENANCE DISTRICT INC...	95,362.96	95,362.95	762,903.64	762,903.60	1,144,355.40
Total Income	95,362.96	95,362.95	762,903.64	762,903.60	1,144,355.40
Gross Profit	95,362.96	95,362.95	762,903.64	762,903.60	1,144,355.40
Expense					
OFFICE OPERATIONS					
Accounting	2,250.00	458.33	4,500.00	3,166.68	5,000.00
Computer Service	0.00	583.33	0.00	4,666.68	7,000.00
Insurance	4,774.66	8,333.33	78,580.97	66,666.68	100,000.00
Office supplies	672.27	833.33	5,523.57	6,666.68	10,000.00
Payroll Service	318.57	333.33	3,483.08	2,666.68	4,000.00
Rent					
Storage	814.00	833.33	6,618.00	6,666.68	10,000.00
Rent - Other	3,900.00	3,916.67	30,381.94	31,333.32	47,000.00
Total Rent	4,714.00	4,750.00	36,999.94	38,000.00	57,000.00
Repairs & Maintenance	1,914.00	1,747.00	3,746.90	3,004.00	10,000.00
Utilities	0.00	416.67	919.11	3,333.32	5,000.00
Total OFFICE OPERATIONS	14,643.50	17,455.32	133,753.57	128,170.72	198,000.00
LANDSCAPE OPERATIONS					
Nursery & Landscape Supplies	2,391.66	2,166.67	19,288.29	17,333.32	26,000.00
Tree Supplies & Services	1,823.64	2,083.33	14,620.45	16,666.68	25,000.00
Outside Landscaping Service	0.00	83.33	0.00	666.68	1,000.00
Tools & Equipment	123.63	333.33	2,147.96	2,666.68	4,000.00
Dumpster	204.00	166.67	693.00	1,333.32	2,000.00
Uniforms	0.00	450.00	0.00	3,600.00	5,400.00
Equipment Rental	130.33	208.33	1,874.05	1,666.68	2,500.00
Total LANDSCAPE OPERATIONS	4,673.26	5,491.66	38,623.75	43,933.36	65,900.00
ASSESS DIST OPERATIONAL EXP					
MAD / BID OPERATIONS					
Dumpster	2,220.19	2,500.00	19,219.87	20,000.00	30,000.00
Tools & Equipment	303.17	250.00	328.24	2,000.00	3,000.00
Auto expenses	2,537.12	1,500.00	9,136.72	12,000.00	18,000.00
Gas & electricity	211.68	600.00	3,128.15	7,600.00	10,000.00
Gasoline	2,818.20	2,500.00	20,757.42	18,000.00	28,000.00
Equipment Rentals	0.00	83.33	0.00	666.68	1,000.00
Cell Phones / Radios	780.92	400.00	3,010.25	3,200.00	4,800.00
Electrical Work/Street Lights	0.00	83.33	0.00	666.68	1,000.00
Water	1,147.69	1,500.00	11,674.72	12,000.00	18,000.00
Uniforms	0.00	583.33	2,845.20	4,666.68	7,000.00
Cleaning & Janitorial Supplies	4,105.18	2,916.67	25,380.93	23,333.32	35,000.00
Total MAD / BID OPERATIONS	14,124.15	12,916.66	95,481.50	104,133.36	155,800.00
PRESSURE-WASHING OPERATIO...					
Tools & Equipment	0.00	83.33	358.25	666.68	1,000.00
Pressure Washer / Water Trailer	0.00	500.00	4,010.71	3,000.00	5,000.00
Total PRESSURE-WASHING OPE...	0.00	583.33	4,368.96	3,666.68	6,000.00
Total ASSESS DIST OPERATIONAL ...	14,124.15	13,499.99	99,850.46	107,800.04	161,800.00

11:02 AM

03/15/22

Accrual Basis

Little Italy Association of San Diego
MAD Profit & Loss Budget Performance
February 2022

	Feb 22	Budget	Jul '21 - Feb 22	YTD Budget	Annual Budget
PERSONNEL EXPENSE					
EE MEDICAL CONTRIBUTION					
Consultant Salary Expense	1,098.70		6,719.55		
EE MEDICAL CONTRIBUTION -...	-582.67		-6,305.59	0.00	0.00
Total EE MEDICAL CONTRIBUTION	516.03		413.96	0.00	0.00
Office Administrator					
Health/Dental Insurance	1,550.31	1,000.00	11,519.37	8,000.00	12,000.00
Payroll Taxes	178.56	83.33	1,390.45	666.68	1,000.00
WC Insurance	155.31	16.67	214.82	133.32	200.00
Salary Expense	753.89	2,304.00	16,032.91	19,584.00	28,800.00
Total Office Administrator	2,638.07	3,404.00	29,157.55	28,384.00	42,000.00
Landscape Crew					
Salary Expense	13,402.02	17,100.00	119,365.04	120,025.00	188,425.00
Health/Dental Insurance	1,269.78	1,465.00	10,942.42	10,140.00	16,000.00
WC Insurance	918.91	1,450.00	10,033.65	12,200.00	18,000.00
Payroll Taxes	1,657.86	1,400.00	11,048.98	9,400.00	15,000.00
Total Landscape Crew	17,248.57	21,415.00	151,390.09	151,765.00	237,425.00
Maintenance Crew					
Salary Expense	30,389.97	28,680.00	240,439.45	232,280.00	347,000.00
Payroll Taxes	3,321.36	2,645.00	21,503.41	18,420.00	29,000.00
WC Insurance	1,894.94	2,220.00	18,458.68	18,120.00	27,000.00
Health/Dental Insurance	4,568.32	2,250.00	26,036.87	25,000.00	34,000.00
Total Maintenance Crew	40,174.59	35,795.00	306,438.41	293,820.00	437,000.00
Pressure-Washing Crew					
Salary Expense	7,849.97	8,350.00	65,051.70	63,100.00	96,500.00
Payroll Taxes	888.12	768.50	5,929.10	5,440.00	8,500.00
WC Insurance	580.72	550.00	4,602.31	4,300.00	6,500.00
Health/Dental Benefits	1,762.13	850.00	7,422.72	6,200.00	9,600.00
Total Pressure-Washing Crew	11,080.94	10,518.50	83,005.83	79,040.00	121,100.00
Total PERSONNEL EXPENSE	71,658.20	71,132.50	570,405.84	553,009.00	837,525.00
NCA Management					
Staff Administration	5,000.00	3,800.00	38,000.00	36,800.00	52,000.00
Total NCA Management	5,000.00	3,800.00	38,000.00	36,800.00	52,000.00
Office Operational					
Employee Screening Services	0.00	125.00	1,165.84	1,000.00	1,500.00
Total Office Operational	0.00	125.00	1,165.84	1,000.00	1,500.00
Total Expense	110,099.11	111,504.47	881,799.46	870,713.12	1,316,725.00
Net Income	-14,736.15	-16,141.52	-118,895.82	-107,809.52	-172,369.60

11:04 AM

03/15/22

Accrual Basis

Little Italy Association of San Diego
Maintenance Non-Assessment Profit & Loss Budget Performance
February 2022

	Feb 22	Budget	Jul '21 - F...	YTD Bud...	Annual B...
Income					
PROGRAM INCOME					
Sponsors	3,000.00	1,000.00	9,000.00	8,000.00	12,000.00
Total PROGRAM INCOME	3,000.00	1,000.00	9,000.00	8,000.00	12,000.00
MAINTENANCE NON-ASSESS INCOME					
Mercato Services	5,000.00	5,000.00	40,000.00	40,000.00	60,000.00
Other Income / Special Events	0.00	0.00	13,619.00	0.00	0.00
Supplemental Services	11,170.00	6,075.00	60,983.20	49,700.00	74,000.00
Total MAINTENANCE NON-ASSESS INC...	16,170.00	11,075.00	114,602.20	89,700.00	134,000.00
Total Income	19,170.00	12,075.00	123,602.20	97,700.00	146,000.00
Gross Profit	19,170.00	12,075.00	123,602.20	97,700.00	146,000.00
Expense					
MISC MAINT EXPENSE					
Misc Maintenance Expense	0.00	83.33	-132.78	666.68	1,000.00
Total MISC MAINT EXPENSE	0.00	83.33	-132.78	666.68	1,000.00
OFFICE OPERATIONS					
Office Expenses Tenant Portion	0.00	0.00	192.16	0.00	0.00
Office supplies	0.00	25.00	0.00	200.00	300.00
Total OFFICE OPERATIONS	0.00	25.00	192.16	200.00	300.00
LANDSCAPE OPERATIONS					
Tree Supplies & Services	0.00	83.33	0.00	666.68	1,000.00
Total LANDSCAPE OPERATIONS	0.00	83.33	0.00	666.68	1,000.00
ASSESS DIST OPERATIONAL EXP					
MAD / BID OPERATIONS					
Citations	0.00		81.00		
Meals & Entertainment	0.00	45.00	357.65	320.00	500.00
Late Fees	0.00	12.50	42.57	100.00	150.00
Liability Claims	0.00		0.00	3,000.00	3,000.00
Auto expenses	0.00	333.33	279.73	2,666.68	4,000.00
Total MAD / BID OPERATIONS	0.00	390.83	760.95	6,086.68	7,650.00
Total ASSESS DIST OPERATIONAL EXP	0.00	390.83	760.95	6,086.68	7,650.00
PERSONNEL EXPENSE					
Staff reimbursement	-1,270.40	-350.00	-8,833.40	-6,700.00	-6,700.00
Office Administrator					
Health/Dental Insurance	0.00		115.89		
Payroll Taxes	0.00		-258.36	-258.36	-258.36
Salary Expense	0.00		2,742.00	2,742.00	2,742.00
Total Office Administrator	0.00		2,599.53	2,483.64	2,483.64
Maintenance Crew					
Staff Bonuses	0.00	0.00	8,800.00	8,800.00	8,800.00
Salary Expense	0.00		229.64		
Total Maintenance Crew	0.00	0.00	9,029.64	8,800.00	8,800.00
PERSONNEL EXPENSE - Other	0.00		-1,142.42		
Total PERSONNEL EXPENSE	-1,270.40	-350.00	1,653.35	4,583.64	4,583.64
ACCOUNTANT EXPENSE ENTRIES					
Depreciation	2,030.09	2,000.00	16,240.72	16,000.00	24,000.00
Total ACCOUNTANT EXPENSE ENTRIES	2,030.09	2,000.00	16,240.72	16,000.00	24,000.00
PROGRAM EXPENSE					
Liability Claim	601.26		3,299.09	0.00	0.00

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Accrual Basis

Little Italy Association of San Diego
Maintenance Non-Assessment Profit & Loss Budget Performance
February 2022

	<u>Feb 22</u>	<u>Budget</u>	<u>Jul '21 - F...</u>	<u>YTD Bud...</u>	<u>Annual B...</u>
Meals / Entertainment / Travel	0.00	0.00	945.64	827.82	827.82
Salary Expense					
Payroll Taxes	0.00	-280.00	-4,861.47	-4,880.00	-6,000.00
Total Salary Expense	<u>0.00</u>	<u>-280.00</u>	<u>-4,861.47</u>	<u>-4,880.00</u>	<u>-6,000.00</u>
Total PROGRAM EXPENSE	601.26	-280.00	-616.74	-4,052.18	-5,172.18
Office Operational					
Employee Screening Services	-325.00		-325.00		
Legal	3,430.00	0.00	6,755.00	3,325.00	5,000.00
Total Office Operational	<u>3,105.00</u>	<u>0.00</u>	<u>6,430.00</u>	<u>3,325.00</u>	<u>5,000.00</u>
Total Expense	<u>4,465.95</u>	<u>1,952.49</u>	<u>24,527.66</u>	<u>27,476.50</u>	<u>38,361.46</u>
Net Income	<u><u>14,704.05</u></u>	<u><u>10,122.51</u></u>	<u><u>99,074.54</u></u>	<u><u>70,223.50</u></u>	<u><u>107,638.54</u></u>

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Accrual Basis

Little Italy Association of San Diego
PARKING DISTRICT Profit & Loss Budget Performance
February 2022

	Feb 22	Budget	Jul '21 - Feb ...	YTD Budget	Annual Budget
Income					
PROGRAM INCOME					
Sponsors	0.00		22,875.00		
Total PROGRAM INCOME	0.00		22,875.00		
PARKING DISTRICT INCOME					
Parking District Reimbursement	0.00	75,000.00	301,556.80	450,000.00	750,000.00
City Bollard funds	10,386.40	0.00	40,774.35	0.00	0.00
Total PARKING DISTRICT INCOME	10,386.40	75,000.00	342,331.15	450,000.00	750,000.00
PARKING DISTRICT REVENUES					
Valet Program Revenues	8,965.25	9,700.00	79,427.17	77,840.00	116,640.00
Total PARKING DISTRICT REVENUES	8,965.25	9,700.00	79,427.17	77,840.00	116,640.00
Total Income	19,351.65	84,700.00	444,633.32	527,840.00	866,640.00
Gross Profit	19,351.65	84,700.00	444,633.32	527,840.00	866,640.00
Expense					
PERSONNEL EXPENSE					
Staff reimbursement	-1,270.40		-8,803.70		
EE MEDICAL CONTRIBUTION	-582.67		-3,461.55		
Office Administrator					
Payroll Taxes	178.56		813.88		
Salary Expense	753.91	0.00	4,477.19	0.00	0.00
Total Office Administrator	932.47	0.00	5,291.07	0.00	0.00
Total PERSONNEL EXPENSE	-920.60	0.00	-6,974.18	0.00	0.00
PARKING DISTRICT EXPENSE					
In House Valet Program					
Valet Employee Payroll	9,024.74	16,960.00	80,937.26	144,160.00	212,000.00
Valet Employee Payroll Taxes	850.41	0.00	7,388.29	0.00	0.00
Equipment & Uniforms	306.22	666.67	8,869.62	5,333.32	8,000.00
Cell/Tech services	0.00	166.67	0.00	1,333.32	2,000.00
Permits	0.00	333.33	0.00	2,666.68	4,000.00
Program Management	3,425.00	2,825.00	27,400.00	22,600.00	33,900.00
Total In House Valet Program	13,606.37	20,951.67	124,595.17	176,093.32	259,900.00
Lot Rental/Insurance					
Workers' Comp	509.87	1,250.00	5,861.70	10,000.00	15,000.00
Liability Insurance	0.00	4,000.00	29,641.50	32,000.00	48,000.00
Parking Lot Rentals	5,042.23	9,166.67	40,337.84	73,333.32	110,000.00
Program Management	2,162.50	2,162.50	17,300.00	17,300.00	25,950.00
Total Lot Rental/Insurance	7,714.60	16,579.17	93,141.04	132,633.32	198,950.00
Marketing and Promotions					
Website Parking Component	0.00	1,177.78	0.00	5,888.90	10,600.02
Printed Material	0.00	416.67	2,416.89	3,333.32	5,000.00
PR Firm	2,583.00	2,500.00	20,664.00	20,000.00	30,000.00
Program Mgmt	570.00	570.00	4,560.00	4,560.00	6,840.00
Total Marketing and Promotions	3,153.00	4,664.45	27,640.89	33,782.22	52,440.02
New Initiatives& Special Proj					
Peoples Plazas, PopOuts & Be...	0.00	166.67	0.00	1,333.32	2,000.00
City of SD Insourcing	0.00	166.67	0.00	1,333.32	2,000.00
Feasibility Study-W.Grape	0.00	0.00	0.00	15,000.00	15,000.00
Planters/Beautification	0.00	30.00	0.00	240.00	360.00
Enhanced Pedestrian Lighting	0.00	11,222.22	52,279.57	56,111.12	101,000.00
Ped Transition Safety	0.00	3,000.00	0.00	9,000.00	21,000.00
Removable Bollard System					
Bollards	10,386.40	0.00	40,774.35	0.00	0.00

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Accrual Basis

Little Italy Association of San Diego
PARKING DISTRICT Profit & Loss Budget Performance
February 2022

	<u>Feb 22</u>	<u>Budget</u>	<u>Jul '21 - Feb ...</u>	<u>YTD Budget</u>	<u>Annual Budget</u>
Total Removable Bollard System	10,386.40	0.00	40,774.35	0.00	0.00
Enhanced Security	0.00	8,250.00	32,850.00	46,200.00	79,200.00
Rescue Mission Security	0.00	6,000.00	0.00	13,000.00	30,000.00
Program Management	<u>2,687.50</u>	<u>3,187.50</u>	<u>21,500.00</u>	<u>25,500.00</u>	<u>38,250.00</u>
Total New Initiatives& Special Proj	13,073.90	32,023.06	147,403.92	167,717.76	288,810.00
LIA Management					
Rent	2,000.00	2,000.00	14,000.00	14,000.00	22,000.00
Utilities	299.00	1,000.00	2,131.00	8,000.00	12,000.00
Vehicle Subsidy & Maintenance	1,657.38	1,111.11	2,366.09	5,555.56	10,000.00
Storage	682.00	1,000.00	2,779.15	8,000.00	12,000.00
Program Mgmt	<u>575.00</u>	<u>675.00</u>	<u>4,600.00</u>	<u>5,400.00</u>	<u>8,100.00</u>
Total LIA Management	<u>5,213.38</u>	<u>5,786.11</u>	<u>25,876.24</u>	<u>40,955.56</u>	<u>64,100.00</u>
Total PARKING DISTRICT EXPENSE	<u>42,761.25</u>	<u>80,004.46</u>	<u>418,657.26</u>	<u>551,182.18</u>	<u>864,200.02</u>
Total Expense	<u>41,840.65</u>	<u>80,004.46</u>	<u>411,683.08</u>	<u>551,182.18</u>	<u>864,200.02</u>
Net Income	<u>-22,489.00</u>	<u>4,695.54</u>	<u>32,950.24</u>	<u>-23,342.18</u>	<u>2,439.98</u>

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Accrual Basis

Little Italy Association of San Diego
PROGRAM - BUDGET TO ACTUAL
 July 2021 through February 2022

	Dog Park (Amici Park)		Grounds (Amici Park)		Total Amici Park		Art Appreciation Projects		Art Walk	
	Jul '21 - ...	Budget	Jul '21 - ...	Budget	Jul '21 - ...	Budget	Jul '21 - ...	Budget	Jul '21 - ...	Budget
Income										
PPP income second round	0		0		0		0		0	
PROGRAM INCOME	9,773	6,000	4,000	4,000	13,773	10,000	0	1	0	0
MERCATO INCOME	0		0		0		0		0	
Total Income	9,773	6,000	4,000	4,000	13,773	10,000	0	1	0	0
Gross Profit	9,773	6,000	4,000	4,000	13,773	10,000	0	1	0	0
Expense										
OFFICE OPERATIONS	0		404	360	404	360	0		0	
ASSESS DIST OPERATIONAL EXP	0		2,982	2,000	2,982	2,000	0	1	0	
PERSONNEL EXPENSE	0		0		0		0		0	
ACCOUNTANT EXPENSE ENTRI...	0		0		0		0		0	
PROGRAM EXPENSE	1,427	3,333	10,251	4,640	11,677	7,973	7,595		500	
Maintenance Personnel	0		137		137		0		0	
Maintenance Non-Personnel	0		0		0		0		0	
NCA Management	0		0		0		0		0	
Office Operational	0		0		0		0		0	
MERCATO EXPENSE	0		0		0		0		0	
PARKING DISTRICT EXPENSE	0		0		0		0		0	
Budget adjustment	0	-3,500	0	7,800	0	4,300	0	0	0	
Total Expense	1,427	-167	13,774	14,800	15,201	14,633	7,595	1	500	
Net Income	8,346	6,167	-9,774	-10,800	-1,428	-4,633	-7,595	0	-500	0

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Accrual Basis

Little Italy Association of San Diego
PROGRAM - BUDGET TO ACTUAL
 July 2021 through February 2022

	Banner		Casino Night		Christmas Programs		County Grants		General & Administrati...	
	Jul '21 - ...	Budget	Jul '21 - ...	Budget	Jul '21 - ...	Budget	Jul '21 - ...	Budget	Jul '21 - ...	Budget
Income										
PPP income second round	0		0		0		0		0	
PROGRAM INCOME	2,490	2,940	0	1	43,121	50,000	30,000	30,000	16,662	0
MERCATO INCOME	0		0		0		0		0	
Total Income	2,490	2,940	0	1	43,121	50,000	30,000	30,000	16,662	0
Gross Profit	2,490	2,940	0	1	43,121	50,000	30,000	30,000	16,662	0
Expense										
OFFICE OPERATIONS	0		0		0		0		21,708	8,813
ASSESS DIST OPERATIONAL EXP	0		0		106		0		1,974	1,640
PERSONNEL EXPENSE	0		0		0		0		5,984	10,416
ACCOUNTANT EXPENSE ENTRI...	0		0		4,667	7,330	0		5,432	6,000
PROGRAM EXPENSE	3,873	4,420	0	1	32,265	39,006	30,000	30,000	25,285	25,560
Maintenance Personnel	0		0		541		0		0	
Maintenance Non-Personnel	0		0		0		0		0	
NCA Management	0		0		0		0		105,126	132,640
Office Operational	0		0		0		0		8,868	3,360
MERCATO EXPENSE	0		0		0		0		0	
PARKING DISTRICT EXPENSE	0		0		0		0		0	0
Budget adjustment	0		0		0		0	0	0	0
Total Expense	3,873	4,420	0	1	37,578	46,336	30,000	30,000	174,376	188,429
Net Income	-1,383	-1,480	0	0	5,543	3,664	0	0	-157,715	-188,429

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Accrual Basis

Little Italy Association of San Diego
PROGRAM - BUDGET TO ACTUAL
 July 2021 through February 2022

	Total Mercato		Merchandise		Military Events		Misc Events		Piazza Basilone	
	Jul '21 - ...	Budget	Jul '21 - ...	Budget	Jul '21 - ...	Budget	Jul '21 - ...	Budget	Jul '21 - ...	Budget
Income										
PPP income second round	0		0		0		0		0	
PROGRAM INCOME	482,801	507,000	735	1	2,250	2,000	4,290		1,000	1,200
MERCATO INCOME	1,400	0	0		0		0		0	
Total Income	484,201	507,000	735	1	2,250	2,000	4,290		1,000	1,200
Gross Profit	484,201	507,000	735	1	2,250	2,000	4,290		1,000	1,200
Expense										
OFFICE OPERATIONS	0		0		0		0		0	
ASSESS DIST OPERATIONAL EXP	0		0		0		0		0	
PERSONNEL EXPENSE	0		0		0		0		0	
ACCOUNTANT EXPENSE ENTRI...	0		0		0		0		0	
PROGRAM EXPENSE	24,756	0	0	1	1,211	2,000	2,743		4,324	3,400
Maintenance Personnel	0		0		280		0		0	
Maintenance Non-Personnel	0		0		0		0		0	
NCA Management	0		0		0		0		0	
Office Operational	0		0		0		0		0	
MERCATO EXPENSE	315,011	324,706	0		0		0		0	
PARKING DISTRICT EXPENSE	0		0		0		0		0	
Budget adjustment	0	16,958	0	-510	0	-750	0	-1,547	0	0
Total Expense	339,766	341,664	0	-509	1,491	1,250	2,743	-1,547	4,324	3,400
Net Income	144,435	165,336	735	510	759	750	1,547	1,547	-3,324	-2,200

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Accrual Basis

Little Italy Association of San Diego
PROGRAM - BUDGET TO ACTUAL
 July 2021 through February 2022

	Public restrooms (Piazza della Famiglia)		Piazza della Famiglia - ... (Piazza della Famiglia)		Total Piazza della Fami...		PPP 2 Activity		SBEP Bookkeeping Gr...	
	Jul '21 - ...	Budget	Jul '21 - ...	Budget	Jul '21 - ...	Budget	Jul '21 - ...	Budget	Jul '21 - ...	Budget
Income										
PPP income second round	0		0		0		274,105	274,105	0	
PROGRAM INCOME	1,800	1,800	0	100,000	1,800	101,800	0		2,657	
MERCATO INCOME	0		0		0		0		0	
Total Income	1,800	1,800	0	100,000	1,800	101,800	274,105	274,105	2,657	
Gross Profit	1,800	1,800	0	100,000	1,800	101,800	274,105	274,105	2,657	
Expense										
OFFICE OPERATIONS	0		0		0		0		0	
ASSESS DIST OPERATIONAL EXP	0		0		0		0		0	
PERSONNEL EXPENSE	0		0		0		25,985	25,900	0	
ACCOUNTANT EXPENSE ENTRI...	0		0		0		0		0	
PROGRAM EXPENSE	2,154	1,800	24,648	26,667	26,802	28,467	0		3,000	
Maintenance Personnel	0		0		0		0		0	
Maintenance Non-Personnel	0		0	6,667	0	6,667	0		0	
NCA Management	0		0		0		0		0	
Office Operational	0		0		0		0		0	
MERCATO EXPENSE	0		0		0		1,093	1,100	0	
PARKING DISTRICT EXPENSE	0		0		0		2,154	2,200	0	
Budget adjustment	0	0	0	50,000	0	50,000	0	0	0	
Total Expense	2,154	1,800	24,648	83,333	26,802	85,133	29,232	29,200	3,000	
Net Income	-354	0	-24,648	16,667	-25,002	16,667	244,873	244,905	-343	

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Accrual Basis

Little Italy Association of San Diego
PROGRAM - BUDGET TO ACTUAL
 July 2021 through February 2022

	SBEP City Services		SBEP Tech Assist. Grant		Seasonal Displays		State of the Neighborh...		Summer Film Festival	
	Jul '21 - ...	Budget	Jul '21 - ...	Budget	Jul '21 - ...	Budget	Jul '21 - ...	Budget	Jul '21 - ...	Budget
Income										
PPP income second round	0		0		0		0		0	
PROGRAM INCOME	0		1,758		10,500	5,000	4,000	1	3,133	500
MERCATO INCOME	0		0		0		0		0	
Total Income	0		1,758		10,500	5,000	4,000	1	3,133	500
Gross Profit	0		1,758		10,500	5,000	4,000	1	3,133	500
Expense										
OFFICE OPERATIONS	0		0		0		0		0	
ASSESS DIST OPERATIONAL EXP	0		0		0		0		0	
PERSONNEL EXPENSE	0		0		0		0		0	
ACCOUNTANT EXPENSE ENTRI...	0		0		0		0		0	
PROGRAM EXPENSE	4,697		566		7,518	5,000	0	1	622	300
Maintenance Personnel	0		0		0		0		0	
Maintenance Non-Personnel	0		0		0		0		0	
NCA Management	0		0		0		0		0	
Office Operational	0		0		0		0		0	
MERCATO EXPENSE	0		0		0		0		0	
PARKING DISTRICT EXPENSE	0		0		0		0		0	
Budget adjustment	0		0		0	-3,122	0		0	-2,300
Total Expense	4,697		566		7,518	1,878	0	1	622	-2,000
Net Income	-4,697		1,192		2,982	3,122	4,000	0	2,511	2,500

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Accrual Basis

Little Italy Association of San Diego
PROGRAM - BUDGET TO ACTUAL
 July 2021 through February 2022

	Trick or Treat		Venue Rentals		TOTAL	
	Jul '21 - ...	Budget	Jul '21 - ...	Budget	Jul '21 - ...	Budget
Income						
PPP income second round	0		0		274,105	274,105
PROGRAM INCOME	0	1,000	43,200	31,000	664,170	742,444
MERCATO INCOME	0		0		1,400	0
Total Income	0	1,000	43,200	31,000	939,675	1,016,549
Gross Profit	0	1,000	43,200	31,000	939,675	1,016,549
Expense						
OFFICE OPERATIONS	0		0		22,112	9,173
ASSESS DIST OPERATIONAL EXP	0		0		5,061	3,641
PERSONNEL EXPENSE	0		0		31,969	36,316
ACCOUNTANT EXPENSE ENTRI...	0		0		10,099	13,330
PROGRAM EXPENSE	1,477	1,000	9,325	16,000	198,237	163,129
Maintenance Personnel	0		0		958	0
Maintenance Non-Personnel	0		0		0	6,667
NCA Management	0		0		105,126	132,640
Office Operational	0		0		8,868	3,360
MERCATO EXPENSE	0		0		316,103	325,806
PARKING DISTRICT EXPENSE	0		0		2,154	2,200
Budget adjustment	0	1,477	0	-16,450	0	48,056
Total Expense	1,477	2,477	9,325	-450	700,687	744,318
Net Income	-1,477	-1,477	33,875	31,450	238,988	272,231

MARCH 12 2022			
	LITTLE ITALY ASSOCIATION BUDGET 2022-2023		
SUMMARY SHEET			
	INCOME	EXPENSE	NET
BID	132,213	132,213	0
MAD	1,214,371	1,359,900	-145,529
MNA	154,200	67,900	86,300
PARKING	866,640	866,640	0
PROGRAMS/OPS	1,108,505	1,037,577	70,928
	3,475,929	3,464,230	11,699

DECREASED BY \$22K FOR ADMIN

2022-2023 BUDGET

	NCA CONTRACT	INSURANCE	RENT
BID	60,000	4,000	6,000
MAD	2,000	125,000	40,000
MNA			
PARKING	68,970	37,273	12,616
	24,750		
	5,700		
	53,550		
	5,700		
PIAZZA		12,000	
MERCATO		21,550	
GEN/ADMIN	199,330	1,000	13,749
		9,000	
		12,725	
TOTAL	420,000	222,548	72,365

9:33 AM

03/02/22

Accrual Basis

Little Italy Association of San Diego
Profit & Loss Budget Overview
 July 2022 through June 2023

	Jul '22 - Jun 23
Income	
BID INCOME	
Carry-forward	6,213.31
BID Dues	0.00
BID Disbursements	126,000.00
SBEP Mgmt Grant	0.00
	132,213.31
Total BID INCOME	132,213.31
Total Income	132,213.31
Gross Profit	132,213.31
Expense	
OFFICE OPERATIONS	
Accounting	4,000.00
Computer Service	4,500.00
Dues & subscriptions	1,500.00
Insurance	4,000.00
Office supplies	6,900.00
Printing	500.00
Phone & Internet	2,600.00
Postage	1,000.00
Rent	6,000.00
	2,000.00
Total OFFICE OPERATIONS	33,000.00
NCA Management	
Staff Administration	60,000.00
	60,000.00
Total NCA Management	60,000.00
Consulting Services	
PR	33,000.00
	33,000.00
Total Consulting Services	33,000.00
Contingency	6,213.31
SBEP EXPENSES	
Staff Administration (SBEP)	0.00
	0.00
Total SBEP EXPENSES	0.00
Total Expense	132,213.31
Net Income	0.00

5:17 PM

03/10/22

Accrual Basis

Little Italy Association of San Diego
MAD Profit & Loss Budget Overview
 July 2022 through June 2023

	Jul '22 - Jun 23
Income	
MAINTENANCE DISTRICT INCOME	
MAD Assessments	1,218,606.00
MAD Gas Tax	3,800.00
MAD General Benefit Income	48,744.24
MAD City Administration	-3,500.00
MAD Spec Dist Lighting	-35,000.00
MAD Delinquency Factor 1.5%	-18,279.09
Total MAINTENANCE DISTRICT INCOME	1,214,371.15
Total Income	1,214,371.15
Gross Profit	1,214,371.15
Expense	
OFFICE OPERATIONS	
Accounting	5,000.00
Computer Service	7,000.00
Insurance	125,000.00
Office supplies	10,000.00
Payroll Service	5,000.00
Rent	
Storage	10,000.00
Rent - Other	40,000.00
Total Rent	50,000.00
Repairs & Maintenance	6,000.00
Utilities	3,500.00
Total OFFICE OPERATIONS	211,500.00
LANDSCAPE OPERATIONS	
Nursery & Landscape Supplies	26,000.00
Tree Supplies & Services	25,000.00
Outside Landscaping Service	1,000.00
Tools & Equipment	4,000.00
Dumpster	2,000.00
Uniforms	5,000.00
Equipment Rental	2,500.00
Total LANDSCAPE OPERATIONS	65,500.00
ASSESS DIST OPERATIONAL EXP	
MAD / BID OPERATIONS	
Dumpster	30,000.00
Tools & Equipment	1,500.00
Auto expenses	12,000.00
Gas & electricity	6,000.00
Gasoline	28,000.00
Equipment Rentals	1,000.00
Cell Phones / Radios	4,800.00
Electrical Work/Street Lights	1,000.00
Water	16,000.00
Uniforms	7,000.00
Cleaning & Janitorial Supplies	35,000.00
Total MAD / BID OPERATIONS	142,300.00
PRESSURE-WASHING OPERATIONS	
Tools & Equipment	1,000.00
Pressure Washer / Water Trailer	5,000.00
Total PRESSURE-WASHING OPERATIONS	6,000.00
Total ASSESS DIST OPERATIONAL EXP	148,300.00

5:17 PM

03/10/22

Accrual Basis

Little Italy Association of San Diego
MAD Profit & Loss Budget Overview
 July 2022 through June 2023

	Jul '22 - Jun 23
PERSONNEL EXPENSE	
Office Administrator	
Salary Expense	21,600.00
Total Office Administrator	21,600.00
Landscape Crew	
Salary Expense	278,400.00
Total Landscape Crew	278,400.00
Maintenance Crew	
Salary Expense	516,000.00
Total Maintenance Crew	516,000.00
Pressure-Washing Crew	
Salary Expense	115,000.00
Total Pressure-Washing Crew	115,000.00
Total PERSONNEL EXPENSE	931,000.00
NCA Management	
Staff Administration	24,000.00
Total NCA Management	24,000.00
Office Operational	
Employee Screening Services	1,600.00
Total Office Operational	1,600.00
Total Expense	1,381,900.00
Net Income	-167,528.85

Little Italy Association of San Diego
Maintenance Non-Assessment Profit & Loss Budget 2022-2023

		MARCH 10 2022	BUDGET 2022-23
Income			
PROGRAM INCOME			
	Additional City Contribution		0
	Sponsors		12,000
Total PROGRAM INCOME			
MAINTENANCE NON-ASSESS INCOME			
	Mercato Services		60,000
	Other Income / Special Events		0
	Fenton		7,200
	Supplemental Services		75,000
Total MAINTENANCE NON-ASSESS INCOME			
Total Income			154,200
Expense			
MISC MAINT EXPENSE			
	Property taxes		17,500
	Misc Maintenance Expense		500
Total MISC MAINT EXPENSE			
OFFICE OPERATIONS			
	Office Expenses Tenant Portion		
	Office supplies		0
Total OFFICE OPERATIONS			
LANDSCAPE OPERATIONS			
	Tree Supplies & Services		0
Total LANDSCAPE OPERATIONS			
ASSESS DIST OPERATIONAL EXP			
MAD / BID OPERATIONS			
	Citations		
	Meals & Entertainment		500
	Late Fees		100
	Liability Claims		3,000
	Auto expenses		500
Total MAD / BID OPERATIONS			
Total ASSESS DIST OPERATIONAL EXP			
PERSONNEL EXPENSE			
	Staff reimbursement		-7,200
Office Administrator			
	Health/Dental Insurance		
	Payroll Taxes		
	Salary Expense		
Total Office Administrator			4,000

Little Italy Association of San Diego
Maintenance Non-Assessment Profit & Loss Budget 2022-~~2023~~³⁰

		MARCH 10 2022	BUDGET 2022-23
	Maintenance Crew		
	Staff Bonuses		10,000
	Salary Expense		
	Total Maintenance Crew		
	PERSONNEL EXPENSE - Other		
	Total PERSONNEL EXPENSE		
	ACCOUNTANT EXPENSE ENTRIES		
	Depreciation		29,000
	Total ACCOUNTANT EXPENSE ENTRIES		
	PROGRAM EXPENSE		
	Liability Claim		3,000
	Meals / Entertainment / Travel		1,000
	Salary Expense		
	Payroll Taxes		0
	Total Salary Expense		
	Total PROGRAM EXPENSE		
	Office Operational		
	Legal		6,000
	Total Office Operational		
	Total Expense		67,900
			86,300



Proposed FY23 Little Italy Parking District Budget

Revenues:	1. Parking Meter Revenues Request	\$750,000
	2. Projected Parking Program Income for FY23	<u>\$116,640</u>
	Total FY23 Projected Income	\$866,640

Expenses/Programs:

1. In-House Valet:

Year-round in-house valet service several nights a week at Columbia & W. Date, India & W. Fir, Kettner & W. Ivy, Kettner & W. Fir and State & W. Date with the potential for more locations in the future. We will be requesting additional subsidy from local business, which benefit from the program, to contribute monthly to increase days of service and decrease the subsidy per vehicle.

a. Valet Employee Payroll (LWO – Projected 3% Increase: \$16.79)	\$260,000
b. Equipment and Uniforms	\$8,000
c. Cell/Tech Service & Fees	\$2,000
d. Permits	\$4,000
e. Project Management (See Attached)	<u>\$41,100</u>

Total for In-House Valet: **\$315,100**

2. Lot Rentals and Insurance for Valet:

a. Workers Comp	\$15,000
b. Liability Insurance	\$48,000
c. Parking Lot Rentals	\$110,000
d. Program Management (See Attached)	<u>\$25,950</u>

Total for Lot Rentals and Insurance for Valet: **\$198,950**

3. Marketing and Promotions:

Promoting to the public, residents and businesses about the programs offered.

a. Maintenance of Little Italy Website for Parking & IT Support	\$10,600
b. Printed Material to Promote Programs (Posters, Banners, etc.)	\$5,000
c. Public Relations (Partial)	\$40,000
d. Program Management (See Attached)	<u>\$8,340</u>

Total for Marketing and Promotions/Programs **\$63,940**

LITTLE ITALY ASSOCIATION OF SAN DIEGO

4. New Initiatives and Special Projects:

Using parking meter revenues 100-18 C (a – g) to mitigate parking strain, support mobility and pedestrian safety.

a. People's Plazas & Pop-Out	\$2,000
b. City of San Diego Insourcing (Conversions, Traffic Markings, etc.)	\$2,000
d. Feasibility Study on W. Grape Traffic Flow	\$5,000
e. Enhanced Pedestrian Lighting (1-5 South Crosswalk)	\$29,000
f. Pedestrian Transition & ROW Safety (Porous Pave, Crosswalks, etc.)	\$25,000
g. Enhanced Security	\$72,000
h. Pedestrian Barrier Planters & Beautification	\$70,000
i. Program Management (See Attached)	<u>\$30,750</u>

Total Special Projects and New Initiatives: \$235,750

5. LIA Operational (Office, Utilities and Storage Costs)

a. Office Rent (Partial)	\$12,000
b. Utilities	\$12,000
c. Vehicle Subsidy & Maintenance (Gas, Maintenance, etc.)	\$10,000
d. Storage	\$12,000
e. Program Management (See Attached)	<u>\$6,900</u>

Total LIA Operational Costs \$52,900

TOTAL ESTIMATED EXPENSES FOR PROGRAMS – FY23

<i>Program</i>	<i>Cost</i>	<i>Percent of Total</i>
1. In-House Valet	\$315,100	36%
2. Lot Rentals & Insurance for Valet	\$198,950	23%
3. Marketing & Promotions	\$63,940	8%
4. New Initiatives & Special Projects	\$235,750	27%
5. LIA Operational	\$52,900	6%
Total Programs for FY23	\$866,640	100%

Personnel Assigned to Each Program and Costs:

<i>Program</i>	<i>Person assigned</i>	<i>Allocation for FY23</i>	<i>% of FTE</i>	<i>Accrual Sub-total</i>
In-House Valet	Chris Gomez & Dianne Serna De Leon	\$41,100	15%	\$41,100
Lot Rentals and Insurance for Parking Programs	Chris Gomez & Rosie DeLuca	\$25,950	15%	\$67,050
Marketing and Promotions	Chris Gomez	\$8,340	15%	\$75,390
New Initiatives and Special Projects	Marco Li Mandri & Chris Gomez	\$32,250	15%	\$107,640
LIA Operational	Marco Li Mandri, Chris Gomez, Rosie DeLuca & Dianne Serna De Leon	\$6,900	15%	\$114,540

**Little Italy Association of San Diego
PROGRAM/OPERATIONS
Budget 2022-2023**

		MARCH 12 2022								
		Dog Park	Grounds	Total Amici Park	Art Appreciation Projects	Art Walk	Banner	Casino Night	Christmas Programs	County Grants
		Jul '22 - Jun 23	Jul '22 - Jun 23	Jul '22 - Jun 23	Jul '22 - Jun 23	Jul '22 - Jun 23	Jul '22 - Jun 23	Jul '22 - Jun 23	Jul '22 - Jun 23	Jul '22 - Jun 23
Income										
PPP income second round										
PROGRAM INCOME										
	LIA Board Give or Get								10,000	
	Rent Income		8,505	8,505						
	Advertising	9,000		9,000						
	Chair Sales									
	County Grant									
	Sponsors							3,000	60,000	1
	Vendor income					5,000				
Total PROGRAM INCOME		9,000	8,505	17,505	0	5,000	0	3,000	70,000	1
Total Income		9,000	8,505	17,505	0	5,000	0	3,000	70,000	1
Expense										
OFFICE OPERATIONS										
	Office supplies									
	Pest Control		1,200	1,200						
Total OFFICE OPERATIONS			1,200	1,200						
ASSESS DIST OPERATIONAL EXP										
	Water		3,000	3,000						
Total MAD / BID OPERATIONS			3,000	3,000						
Total ASSESS DIST OPERATIONAL EXP			3,000	3,000						
PROGRAM EXPENSE										
	Outside Services		8,400	8,400						
	Banners / Flags						1,000			
	Landscaping & Nursery Supplies	5,000		5,000						
	Liability Claim									
	Total Misc				21,575			0	65,000	1
	Program Operations			0						
	Program Supplies		0	0						
Total Expense		5,000	19,800	24,800	21,575	0	1,000	0	65,000	1
Net income		4,000	-11,295	-7,295	-21,575	5,000	-1,000	3,000	5,000	0

	General & Admin	Italian Heritage Concerts	Total Mercato	Merchandise	Military Events
	Jul '22 - Jun 23	Jul '22 - Jun 23	Jul '22 - Jun 23	Jul '22 - Jun 23	Jul '22 - Jun 23
Income					
PROGRAM INCOME					
LIA Board Give or Get	5,000				2,500
County Grant					
Misc Income	500			5,000	
Sponsors					
Ticket sales					
Vendor income		7,500	834,500		
Total Income	5,500	7,500	834,500	5,000	2,500
Expense					
OFFICE OPERATIONS					
Bank Fees	200				
Computer Service	400				
Dues & subscriptions	200				
Insurance	300				
Office supplies	2,400				
Postage	200				
Rent	13,749				
Web Maintenance	2,500				
Total OFFICE OPERATIONS					
ASSESS DIST OPERATIONAL EXP					
MAD / BID OPERATIONS					
Misc	500				
Mileage Reimbursement					
Gifts & Condolences	350				
Cell Phones / Radios	1,000				
Water	0				
Total MAD / BID OPERATIONS	1,850				
Total ASSESS DIST OPERATIONAL EXP	1,850				
PERSONNEL EXPENSE					
Office Administrator					
Payroll Taxes	1,080				
WC Insurance					
Salary Expense	7,000				
Total Office Administrator					
Total PERSONNEL EXPENSE	0				
ACCOUNTANT EXPENSE ENTRIES					
Depreciation	11,640				
Total ACCOUNTANT EXPENSE ENTRIES					
PROGRAM EXPENSE					
General Insurance	9,000				
Advertising	3,240				
Banners / Flags					
Donations	3,000				

	General & Admin	Italian Heritage Concerts	Total Mercato	Merchandise	Military Events
	Jul '22 - Jun 23	Jul '22 - Jun 23	Jul '22 - Jun 23	Jul '22 - Jun 23	Jul '22 - Jun 23
Equipment Rentals	0				
Insurance	12,725				
Landscaping & Nursery Supplies					
Liability Claim	5,000				
Marketing					
Misc					
Loan Interest	0				
Misc - Other	1,000				
Total Misc	1,000			5,000	1,400
Program Operations					
Program Supplies	500				
Total PROGRAM EXPENSE			0	5,000	
NCA Management	199,330				
NCA Bonus	30,000				
Office Operational					
Legal	5,000				
Total Office Operational					
CHRISTMAS VILLAGE			5,600		
Total Expense	315,014	0	534,657	5,000	1,400
Net income	-309,514	7,500	299,843	0	1,100

	Misc events/Bella Vita	Piazza Basilone	Piazza Restrooms	Piazza della Famiglia	Seasonal Displays	State of the Neighbrhd
	Jul '22 - Jun 23	Jul '22 - Jun 23	Jul '22 - Jun 23	Jul '22 - Jun 23	Jul '22 - Jun 23	Jul '22 - Jun 23
Income						
PROGRAM INCOME						
Piazza Services			3,500			
Rent Income						
Sponsors		2,000		50,000	5,000	4,000
Ticket sales						
Vendor income	5,000					
Total Income	5,000	2,000	3,500	50,000	5,000	4,000
Expense						
PROGRAM EXPENSE						
Outside Services						
General Insurance				12,000		
Insurance						
Landscaping & Nursery Supplies		600		600		
Liability Claim						
Marketing						
Misc						
Program Operations		6,000		25,000		
Program Supplies			3,500	8,000	2,000	4,000
Total PROGRAM EXPENSE		6,600	3,500	45,600		
Maintenance Non-Personnel						
Repairs & Maintenance				10,000		
Budget adjustment		0	0			
Total Expense	0	6,600	3,500	55,600	2,000	1
Net income	5,000	-4,600	0	-5,600	3,000	0

			Summer Film Festival	TOLI	Trick or Treat	Venue Rentals	TOTAL
			Jul '22 - Jun 23	Jul '22 - Jun 23	Jul '22 - Jun 23	Jul '22 - Jun 23	Jul '22 - Jun 23
Income							
PROGRAM INCOME							
	LIA Board Give or Get						17,500
	Piazza Services						3,500
	Rent Income					57,000	65,505
	Advertising						9,000
	Chair Sales						
	County Grant						
	Donations						
	Misc Income						5,500
	Sponsors		2,500		1,000		127,500
	Ticket sales			28,000			28,000
	Vendor income						852,000
Total Income			2,500	28,000	1,000	57,000	1,108,505
Expense							
OFFICE OPERATIONS							
	Bank Fees						200
	Computer Service						800
	Dues & subscriptions						200
	Insurance						1,000
	Office supplies						4,400
	Office expenses reimbursed						
	Pest Control						1,200
	Postage						200
	Rent						13,749
	Utilities						
	Web Maintenance						2,500
Total OFFICE OPERATIONS							
ASSESS DIST OPERATIONAL EXP							
	Water						3,000
	Misc						500
	Gifts and Condolence						350
	Cell phones						1,000
PERSONNEL EXPENSE							
	Office Administrator						8,080
Depreciation							11,640
Program Expenses							
	Outside Services						8,400
	General Insurance						21,000
	Advertising						



**AMENDED MEMORANDUM OF UNDERSTANDING BETWEEN
THE LITTLE ITALY ASSOCIATION (LIA) AND CONVIVIO SOCIETY (CS)
AMENDED MARCH 2022**

This memorandum addresses the month-to-month and temporary-use of the LIA's Amici House located at 250 W. Date Street in Amici Park. The space has been occupied by CS since October 2017 and includes use of the main room, shared ADA accessible restrooms, outdoor porch, outdoor patio, four (4) LIA table and chair sets with two (2) branded umbrella, and base utilities and water*. The space has been in use by CS since Sunday, October 1, 2017.

If notice of vacation needs to be issued, the LIA agrees to give CS 30-day notice in writing. If CS finds an alternative home or are otherwise ready to vacate the Amici House, they agree to give the LIA 30-day notice in writing. CS is responsible for completely vacating the space and ensuring that the property and grounds are returned to their original condition. All equipment and supplies are to be removed upon vacation. If this is not accomplished, CS will be responsible for any expenditures associated with moving of equipment, conducting repairs, if any, supplies, and cleaning of the space.

As a part of this MOU, the LIA agrees to maintain the property, landscaping, and clean/stock the restrooms**. CS rental fee is \$708.25 a month due on the first of the month, starting July 1, 2022, with the understanding that there is an annual 5% increase at the beginning of every fiscal year (July 1st). There is a 10-day grace period before a \$25 late fee will be assessed on the next month's rent. In the future, if LIA requires the rent to be increased or annual percentage to be adjusted, LIA will give CS 90-day notice before implementing new fee.

LIA permits CS to use the Amici House and the grounds, permitted in this MOU, for the following:

- Heritage/history museum with programing that is in-line with the mission of CS.
- Intimate venue rental for 125 guests or less (*Subject to restrictions based upon State and County directives*).
- Retail of merchandise pertaining to the mission of CS.
- Food & beverage*** via coffee cart with minimal food sales (*Owned and operated by CS or a 3rd party with approval by LIA*).
- Office of the Italian Honorary Consulate in San Diego providing consular services to Italian co-nationals.

LITTLE ITALY ASSOCIATION OF SAN DIEGO

Any new or expanding activities outside the ones stated above must be approved by LIA before new or expanding activities are allowed to commence.

If at any time CS wishes to do improvements inside or outside of the property, they must submit a rendering and request to the LIA Staff for review, consideration and approval before CS is allowed to move forward with said improvements. If there is ever damage or need for repair to the Amici House due to standard wear-and-tear, CS agrees to notify the LIA immediately. CS agrees to maintain the spaces in a moderate manner and agrees to ensure weekly standard maintenance of the spaces (i.e., Light bulb changes, trash removal, sweeping, etc.).

In addition:

- This MOU does not provide any parking provisions for CS and/or its guests.
- CS agrees to notify LIA of any events (CS or 3rd Party) to be held at the Amici House over 75 people.
- If CS wishes to activate the Batta | Fulkerson Small Dog Park or the expansion paver area, CS must get prior written permission from LIA and CS agrees to pay \$100 per event or agreed upon financial arrangement.
- CS will provide proof of permission if activating school grounds outside the MOU footprint.
- CS will provide the following items to fulfill insurance requirements:
 - List the Little Italy Association of San Diego (LIA), the City of San Diego (CofSD), New City America, Inc. (NCA) and the San Diego Unified School District (SDUSD) as Additional Insured on General Liability with limits of at least \$2M Each Occurrence and \$4M Aggregate.
 - Provide a Certificate showing Additional Insured status and include actual policy endorsements.
 - Proof of Worker's Comp Insurance.
 - Agree to indemnify and hold harmless the LIA, CofSD, NCA, and SDUSD from any loss, costs, or damages as a result of harm to third parties due to actions, activities, operations of CS.
 - Proof of Liquor Liability based on all events that will have alcohol service.****

The attached drawing provides a floor plan of the temporary use for Amici House.

*Base utilities were based on an average use before coffee cart was integrated into CS's operations and the space. Average use included in this MOU under CS's rent is \$162 for gas & electric and \$85 for water. Additional monthly charges will apply if the bills exceed the above stated threshold. Payment for those excess fees are to be paid with the monthly rent.

**Restrooms are cleaned and stocked for basic use of the facilities and do not cover any kind of event attendee (small or large). CS is required to clean and stock the restrooms for their events where restrooms are open for their guests use.

***Food sold by CS or its coffee cart are not permitted to be sold in the Little Italy Dog Park (LIDP). CS agrees to notify patrons they are not permitted to take food in the LIDP.

****Proof of Liquor Liability must be submitted a minimum of two (2) days before event takes place or LIA will not allow alcohol service at said event.

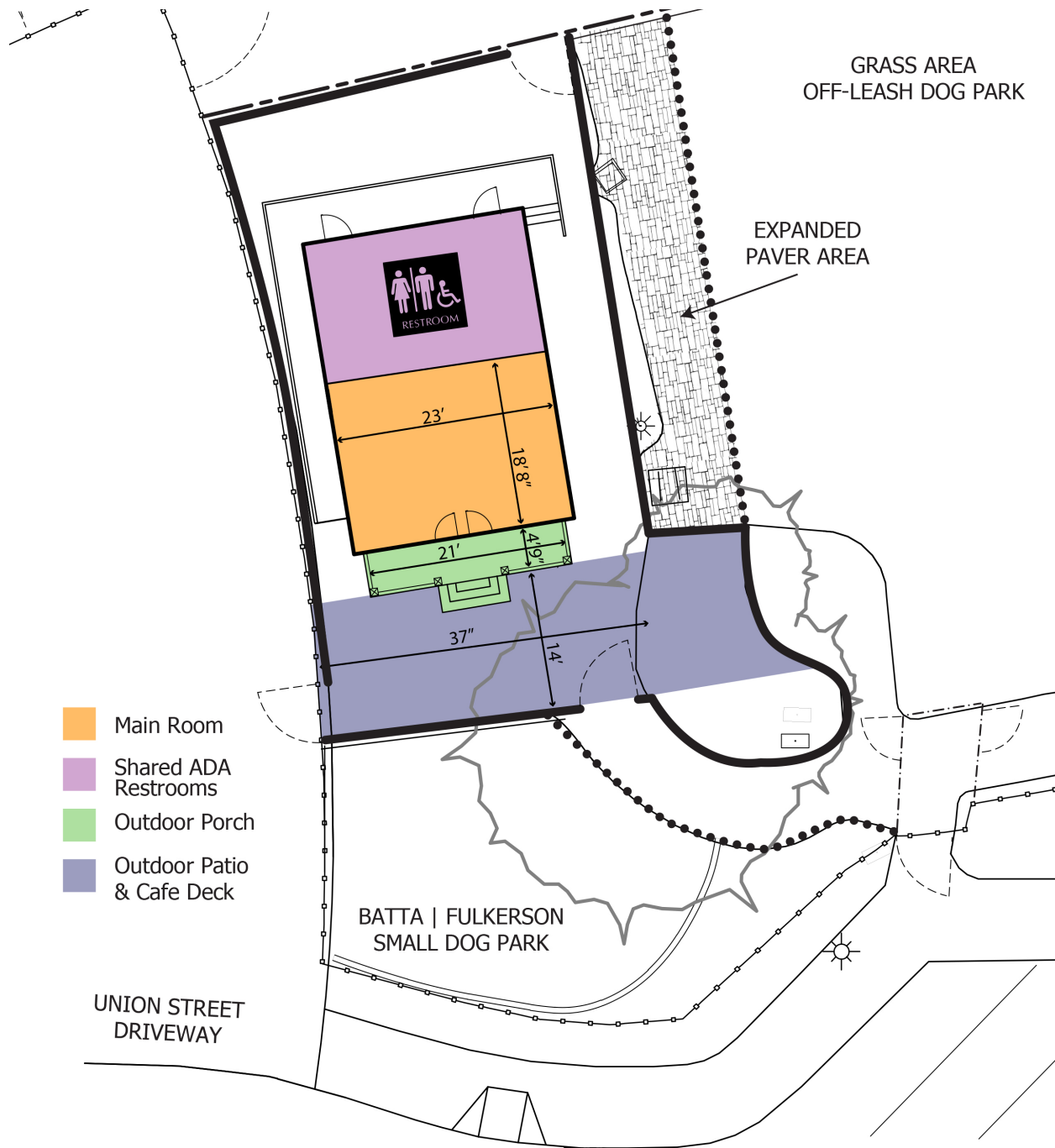
By signing below, both parties agree to uphold their parts of this MOU.

Steven J. Galasso, President, LIA

Tom Cesarini, Executive Director, CS

Date: _____

Date: _____



AMICI HOUSE
250 W. DATE STREET
SAN DIEGO, CA 92101

W. DATE STREET



**Guerrero, Jimenez, Diaz
& Co. LLP**

A Certified Public Accounting Firm

January 26, 2022

Board of Directors
Little Italy Association of San Diego
2210 Columbia Street
San Diego, CA 92101

Dear Sirs:

In connection with our audit of your financial statements for the fiscal year ended June 30, 2021, we wish to submit the following comments and recommendations for your consideration:

Journal Entries

In the course of our audit, we made adjusting journal entries to adjust the balances for the year ended June 30, 2021. We enclosed a copy of these adjustments.

Year End Closing

We noted you had some adjustments to account balances after we started our audit. We recommend for you to close your books one month after the fiscal year end and finalize everything before we start our audit.

Uncleared Checks

We recommend for you to review and consider write-off of old uncleared payroll checks.

Employee Record Retention

We noted that not all employee records were kept on file. We recommend all form I-9's to be filled out by employer with proper identification copies kept for each employee employment file.

In planning and performing our audit of the financial statements of Little Italy Association of San Diego (the Association) as of and for the year ended June 30, 2020, in accordance with auditing standards generally accepted in the United States of America, we considered the Association's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control. Accordingly, we do not express an opinion on the effectiveness of the Association's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control that we consider to be material weaknesses and other deficiencies that we consider to be significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies in internal control, such that there is a reasonable

2445 Fifth Avenue, Suite 420, San Diego, CA 92101

P: 619.280.9600 F: 619.230.0706

www.gjda-cpa.com

possibility that a material misstatement of the Association's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the following deficiencies in Little Italy Association of San Diego internal control to be material weaknesses:

Segregation of Duties

The Association does not have an adequate segregation of duties for effective internal accounting control. We recognize that the Association is not large enough to make the employment of additional persons practicable for the purpose of segregating duties from a financial viewpoint, but we are required under our professional responsibilities, to call this situation to your attention.

The basic premise is that no one employee should have access to both physical assets and related accounting records, or to all phases of a transaction.

The lack of segregation of duties increases the possibility that intentional or unintentional errors could be made and not detected.

Risk of Fraud

Recent developments involving fraud within well-known companies have created a new and more expanded audit environment emphasizing the detection of fraud.

In this connection we feel it is worth repeating this comment of management's responsibilities in this area and submit the following comments and recommendations for your consideration.

Awareness

Management should have an awareness and understanding of fraud and its related risks

Controls (Existence or Absence of)

Management should identify the control procedures in existence.

Control Procedures

Small Associations generally exhibit an absence of control due to the lack of personnel. The following is a list of control procedures, which are practical and relatively easy to implement (Note – These are general in nature and are not all-inclusive and you may already have such procedures in place).

1. Check-signing – requires 2 signatures
2. Timely bank reconciliation – Reviewed by responsible officer
3. Board of Directors – Involvement
The Board should take an active part in the operations
4. Use of pre-numbered receipts (tickets) at special events and accountability for all receipts
5. Timely intact deposit of all receipts
6. Approval of expenditures by responsible person
7. All expenses paid by check (within practical limits)

This communication is intended solely for the information of and use by management of Little Italy Association of San Diego, those charged with the Association's governance, and others you deem appropriate within your association. It is not intended to be, and should not be, used by anyone other than these specified parties.

Sincerely,

Guerrero, Jimenez, Diaz & Co LLP
Guerrero, Jimenez, Diaz & Co LLP

LITTLE ITALY ASSOCIATION

Audit For Fiscal Year Ending June 30, 2021

Adjusting Journal Entries for Client to make

AJE	Date	Account	DR	CR	WP Ref#
1	6/30/2021	Loan Payable #3 F-150 V8 Auto Expense - MAD To adjust loan balance at year end.	\$ 833.18	\$ 833.18	I-2
2	6/30/2021	Loan Payable #4 F-150 V6 Auto Expense - MAD To adjust loan balance at year end.	\$ 827.13	\$ 827.13	I-3
3	6/30/2021	Mercato Services Mercato Maintenance staffing To writeoff inter-company income/expense.	\$ 29,998.32	\$ 29,998.32	B-2 B-6
4	6/30/2021	Accounts Payable - Programs PROGRAM EXPENSE:Outside Services To record accrued expense.	\$ 195.00	\$ 195.00	Q13
5	6/30/2021	Accounts Payable - Mercato PROGRAM EXPENSE:Salary Expense:WC Expense To record accrued expense.	\$ 510.93	\$ 510.93	Q-28
6	6/30/2021	PARKING DISTRICT EXPENSE:New Initiatives& Special Proj:Removable Bollard System:Bollards Accounts Payable - Parking Dist To record accrued expense.	\$ 1,500.00	\$ 1,500.00	Q-34
7	6/30/2021	PARKING DISTRICT EXPENSE:New Initiatives& Special Proj:Removable Bollard System:Bollards Accounts Payable - Parking Dist To record accrued expense.	\$ 8,306.47	\$ 8,306.47	Q-37
8	6/30/2021	PARKING DISTRICT EXPENSE:New Initiatives& Special Proj:Removable Bollard System:Bollards Accounts Payable - Parking Dist To record accrued expense.	\$ 33,798.03	\$ 33,798.03	Q-36
9	6/30/2021	Unspent Art Appreciation Grant Donation To recognize income to equal expense per Jeri.	\$ 5,000.00	\$ 5,000.00	
10	6/30/2021	School Dist. Property tax Accounts Payable - MAD To accrue property tax.	\$ 17,706.54	\$ 17,706.54	
11	6/30/2021	Depreciation Expense Accumulated Depreciation To record depreciation on F/A.	\$ 1,687.00	\$ 1,687.00	F
12	6/30/2021	Endowment Fund Endowment Earnings To adjust Y/E Endowment fund balance.	\$ 2,000.18	\$ 2,000.18	G
13	6/30/2021	Accounts Receivable - Programs Sponsors J/E per Jeri request.	\$ 38.00	\$ 38.00	
14	6/30/2021	Garnishments Salary Expense J/E per Jeri request.	\$ 160.61	\$ 160.61	
15	6/30/2021	Bollard Advance City Bollard Funds To recognize income to equal expenses for Bollard program.	\$ 43,604.50	\$ 43,604.50	

LITTLE ITALY ASSOCIATION

Audit For Fiscal Year Ending June 30, 2021

Adjusting Journal Entries for Client to make

AJE	Date	Account	DR	CR	WP Ref#
16	6/30/2021	Staff Administration Accounts Payable - Programs J/E per Jeri request.	\$ 46,322.00	\$ 46,322.00	
17	6/30/2021	MAD Acct/Torrey Pines Nursery & Landscape Supplies Auto Expense To correct duplicate entries 2020-21.	\$ 124.95	\$ 25.00 \$ 99.95	
18	6/30/2021	Payroll Acct/Torrey Pines Misc. To record 6 checks to valet employees reissued because original checks were lost.	\$ 1,405.81	\$ 1,405.81	
19	6/30/2021	Unspent Art Appreciation grant Donation To reclass to Restricted Net Assets.	\$ 36,020.59	\$ 36,020.59	
1	7/1/2021	Accounts Payable - Programs PROGRAM EXPENSE:Outside Services To reverse PY accrued expense.	\$ 195.00	\$ 195.00	
2	7/1/2021	Accounts Payable - Mercato PROGRAM EXPENSE:Salary Expense:WC Expense To reverse PY accrued expense.	\$ 510.93	\$ 510.93	
3	7/1/2021	Accounts Payable - Parking Dist PARKING DISTRICT EXPENSE:New Initiatives& Special Proj:Removable Bollard System:Bollards To reverse PY accrued expense.	\$ 1,500.00	\$ 1,500.00	
4	7/1/2021	Accounts Payable - Parking Dist PARKING DISTRICT EXPENSE:New Initiatives& Special Proj:Removable Bollard System:Bollards To reverse PY accrued expense.	\$ 8,306.47	\$ 8,306.47	
5	7/1/2021	Accounts Payable - Parking Dist PARKING DISTRICT EXPENSE:New Initiatives& Special Proj:Removable Bollard System:Bollards To reverse PY accrued expense.	\$ 33,798.03	\$ 33,798.03	
			<u>\$ 274,349.67</u>	<u>\$ 274,349.67</u>	



**Guerrero, Jimenez, Diaz
& Co. LLP**

A Certified Public Accounting Firm

Board of Directors
Little Italy Association of San Diego
2210 Columbia Street
San Diego, CA 92101

Ladies and Gentlemen:

We have audited the financial statements of Little Italy Association of San Diego (the Association) for the year ended June 30, 2021. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated August 2, 2021. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The Association changed accounting policies related to financial statement presentation by adopting FASB Accounting Standards Update (ASU) No. 2016-14, Not-for-Profit Entities (Topic 958) - Presentation of Financial Statements of Not-for-Profit Entities, during the year ended June 30, 2021. No other new accounting policies were adopted and the application of existing policies was not changed during the year ended June 30, 2020. The significant accounting policies used by the Association are described in Note 1 to the financial statements. We noted no transactions entered into by the Association during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Association's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Association's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

In addition, we noted a deficiency in internal control that we consider to be a material weakness. This is discussed in the management letter.

This information is intended solely for the use of Little Italy Association of San Diego or individual(s) charged with governance and, if appropriate, management of Little Italy Association of San Diego and is not intended to be, and should not be, used by anyone other than these specified parties.

Guerrero, Jimmy, Diego Co LLP

San Diego, California
January 26, 2022

LITTLE ITALY ASSOCIATION OF SAN DIEGO
Financial Statements
For The Year Ended June 30, 2021
And
Independent Auditors' Report

LITTLE ITALY ASSOCIATION OF SAN DIEGO
Financial Statements
June 30, 2021

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6	Statement of Cash Flows
7-13	Notes to Financial Statements



Guerrero, Jimenez, Diaz
& Co. LLP

A Certified Public Accounting Firm

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Little Italy Association of San Diego

We have audited the accompanying financial statements of Little Italy Association of San Diego (a Non-Profit Association), which comprise of the statement of financial position as of June 30, 2021, and the related statement of activities and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for 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 audit. We conducted our audit 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 from 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 Little Italy Association of San Diego as of June 30, 2021, and the changes in its net assets, and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.



Guerrero, Jimenez, Diaz, & Co., LLP
Certified Public Accountants
San Diego, California
January 26, 2022

LITTLE ITALY ASSOCIATION OF SAN DIEGO
 Statements of Financial Position
 June 30, 2021

ASSETS

Current Assets	
Cash in Banks	\$ 1,099,032
Accounts Receivable	81,395
Investments (Note 4)	13,202
Total Current Assets	<u>1,193,629</u>
Property & Equipment	
Vehicles	106,215
Equipment	127,331
Web Design Cost	10,400
Leasehold Improvements	56,777
Less Accumulated Depreciation	<u>(186,376)</u>
Total Fixed Assets	<u>114,347</u>
Total Assets	<u><u>\$ 1,307,976</u></u>

LIABILITIES & NET ASSETS

Liabilities:	
Accounts Payable	\$ 127,848
Advance from Bollard Program	171,485
Accrued Interest Liability	1,016
Current Portion of Loan Payable (Note 6)	8,516
Total Current Liabilities	<u>308,865</u>
Long Term Liab	
Notes Payable (Note 6)	
EIDL Loan	148,476
PPP Loan (Note 15)	274,105
Total Long Term Liabilities	<u>422,581</u>
Total Liabilities	<u>731,446</u>
Net Assets	
Without donor restrictions:	
Undesignated	540,508
With donor restrictions	36,021
	<u>576,529</u>
Total Net Assets	<u>576,529</u>
Total Liabilities & Net Assets	<u><u>\$ 1,307,976</u></u>

See Accountant's accompanying notes and report.

LITTLE ITALY ASSOCIATION OF SAN DIEGO

Statement of Activities

For the Year Ended June 30, 2021

	Without Donor Restrictions	With Donor Restrictions	Total
CHANGES IN UNRESTRICTED NET ASSETS:			
Revenue			
Assessment District and Public:			
SBEP - (Public)	\$ -	\$ 18,374	\$ 18,374
BID Reimbursement - (Assessment)	119,362	-	119,362
MAD Reimbursement - (Assessment)	1,136,373	-	1,136,373
Government Grant Income	-	25,000	25,000
Art Appreciation Grant	-	50,000	50,000
Net Assets Released from Restrictions	57,353	(57,353)	-
Parking District Reimbursement - (Public)	933,188	-	933,188
Total Assessment District and Public	<u>2,246,276</u>	<u>36,021</u>	<u>2,282,297</u>
Non Assessment Non-Public Funding			
Maintenance Non-Assessment	58,625	-	58,625
Other Events and Programs	662,283	-	662,283
Payroll Protection Program Loan	252,029	-	252,029
Other Income	2,000	-	2,000
Total Revenue	<u>3,221,213</u>	<u>36,021</u>	<u>3,257,234</u>
Expenses:			
Program & Event Expenses	3,151,075	-	3,151,075
General & Administrative	59,052	-	59,052
Total Program, Event & General & Administrative Expenses	<u>3,210,128</u>	<u>-</u>	<u>3,210,128</u>
 Increase/ (Decrease) in Unrestricted Net Assets	 <u>11,085</u>	 <u>36,021</u>	 <u>47,106</u>
 Increase/ (Decrease) in Net Assets	 <u>11,085</u>	 <u>36,021</u>	 <u>47,106</u>
Net Assets, Beginning of Year	529,423	-	529,423
 Net Assets, End of Year	 <u>\$ 540,508</u>	 <u>\$ 36,021</u>	 <u>\$ 576,529</u>

See Accountant's accompanying notes and report.

LITTLE ITALY ASSOCIATION OF SAN DIEGO

Statement of Functional Expenses

For the Year Ended June 30, 2021

	PROGRAM & EVENTS	GENERAL & ADMINISTRATIVE	TOTAL
Administration of MAD Contract	\$ 156,183	\$ 27,562	\$ 183,745
Administration of BID Contract and Association's Activities	81,427	14,370	95,797
Personnel Costs for MAD employees:			
Salaries	720,630	-	720,630
Bonuses	8,575	-	8,575
Workers' Compensation Insurance	52,052	-	52,052
Medical & Dental Benefits	72,027	-	72,027
Payroll Taxes & Processing Fees	63,936	-	63,936
P/R Credit- Families First Act	(9,281)	-	(9,281)
Event/Program Expenses			
Program	120,089	-	120,089
Mercato	213,532	-	213,532
Parking	927,549	-	927,549
SBEP	18,374	-	18,374
Auto Expenses	39,354	-	39,354
Bank Charges	304	-	304
Cleaning and Janitorial Supplies	35,230	-	35,230
Depreciation	35,758	-	35,758
Dues & Subscriptions	2,411	-	2,411
Dumpster Services	29,305	-	29,305
Equipment	13,513	-	13,513
Equipment Rental	23,036	-	23,036
Insurance	126,632	-	126,632
Interest Expense	4,851	539	5,390
Licenses, Permits & Taxes	40,238	4,471	44,709
Marketing & Promotion	15,083	-	15,083
Meals & Entertainment	655	-	655
Miscellaneous	5,267	-	5,267
Nursery Supplies & Tree Maintenance	29,128	-	29,128
Office Supplies	22,291	-	22,291
Office Expense	677	119	796
Postage & Printing	1,598	178	1,775
Professional Services	101,454	-	101,454
Rent	55,931	6,215	62,146
Repairs & Maintenance	59,465	-	59,465
Street Cleaning & Beautification	21,088	-	21,088
Telephone	8,719	969	9,688
Uniforms	6,923	-	6,923
Utilities	41,674	4,630	46,304
Contingency	5,397	-	5,397
Total Expenses	<u>\$ 3,151,075</u>	<u>\$ 59,052</u>	<u>\$ 3,210,128</u>

See accountant's accompanying notes and report.

LITTLE ITALY ASSOCIATION OF SAN DIEGO

Statement of Cash Flows
For the Year Ended June 30, 2021

Cash Flows from Operating Activities:	
Increase in Net Assets	\$ 47,106
Adjustments to Reconcile Net Assets to Net Cash Provided by Operating Activities:	
Depreciation Expense	35,758
(Increase)/Decrease in Accounts Receivable	(2,706)
(Increase)/Decrease on Earnings on Investment Activity	(2,000)
Increase/(Decrease) in Account Payable	123,943
Increase/(Decrease) in Advance from Bollard Program	171,485
Total Adjustments	<u>326,480</u>
Net Cash Provided by Operating Activities	<u>373,586</u>
Cash Flows from Investing Activities	-
Cash Flows from Financing Activities	
Repayments of principal on amounts borrowed - Net of proceeds from amounts borrowed	(276,242)
Cash received from EIDL loan	148,476
Cash received from PPP loan	274,105
Net Cash Provided by Financing Activities	<u>146,339</u>
Net Increase/(Decrease) in Cash	519,925
Cash at Beginning of Period	<u>579,105</u>
Cash at End of Period	<u>\$ 1,099,032</u>

See Accountant's accompanying notes and report.

LITTLE ITALY ASSOCIATION OF SAN DIEGO
Notes to Financial Statements
June 30, 2021

NOTE 1 - Summary of Significant Accounting Policies

Nature of Association

Little Italy Association of San Diego (L.I.A.) ("the Association") is a public benefit non-profit Association dedicated to improve, promote, and foster the Little Italy district a 48 block area located in west downtown San Diego, through programs, events and activities. The Association was incorporated on December 3, 1998. It represents businesses in the area as well as property owners and residents, in the areas of public safety, beautification, promotion and economic development in the community.

Significant Accounting Policies

Basis of Accounting

The financial statements of the Association are prepared on the accrual basis of accounting.

Basis of Presentation

The financial statements of the Association have been prepared in accordance with U.S. generally accepted principles ("US GAAP"), which require the Association to report information regarding its financial position and activities according to the following net assets classification.

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 Association. These net assets may be used at the discretion of the Association 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 actions of the Association or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increase 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 statement of activities.

Measure of Operations

The statement of activities reports all changes in net assets, including changes in net assets from operating and nonoperating activities. Operating activities consist of those items attributable to the Association's ongoing programs. Nonoperating activities are limited to resources that generate return from long-term investments and other activities considered to be of a more unusual or nonrecurring nature.

Functional Allocation of Expenses

The statement of functional expenses presents expense by function and natural classifications. Expenses directly attributable to a specific functional area of the Association are reported as expenses of those functional areas. A portion of costs that benefit multiple functional areas (indirect costs) have been allocated across programs and supporting services based on the full-time employee equivalents of a programs or supporting service.

New Accounting Pronouncement

In August 2016, the Financial Accounting Standards Board (FASB) issued ASU 2016-14, Not-for-Profit Entities (Topic 958) – *Presentation of Financial Statements of Not-for-Profit Entities*. This ASU amends the current nonprofit reporting model and enhances nonprofit organizations required disclosures. The ASU addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and available resources, and the lack of consistency in the type of information provided about expenses and investment in return. The Association has adjusted the presentation of these statements accordingly.

Subsequent Events

Subsequent events are events or transactions that occur after the statement of financial position date but before financial statements are available to be issued. The Association recognizes in the financial statements, the effects of all subsequent events that provide additional evidence about conditions that existed at that date, including the estimates inherent in the process of preparing financial statements. The Association's financial statements do not recognize subsequent events that provide evidence about conditions that did not exist at the date of the statement of financial position but arose after that date and before the financial statements are available to be issued.

The Association has evaluated subsequent events through January 26, 2022, which is the date the financial statements are available for issuance and concluded that no events needed to be disclosed.

Property and Equipment

Property and equipment are recorded at cost. Depreciation expense is computed using the straight-line method over the estimated useful lives of the related assets, which are generally 3 to 10 years.

Income Taxes

The Association is exempt from federal income tax under the provisions of section 501(c)(3) of Internal Revenue Code and is also exempt from state income taxes. The Financial Accounting Standards Board (FASB) issued Accounting Standards Codifications No. 740-10, Accounting for Uncertainties in Income Tax, which sets a minimum threshold for financial statement recognition of the benefit of a tax position taken or expected to be taken in a tax return. The Association has reviewed its positions for all open tax years and has determined that it has no uncertain tax positions requiring accrual or disclosure.

Revenue Recognition

Little Italy Association of San Diego is funded principally through the administration of two contracts with the City of San Diego (special assessment districts BID and MAD), and the administration of one contract with the Civic San Diego (formerly Centre City Development Corp., a city government agency for the Community Parking District). Additional funds are generated from special projects and special events.

Use of Estimates in the Preparation of Financial Statements

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect 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 revenues and expenses during the reporting period. Actual results could differ from these estimates.

Cash and Cash Equivalents

Time deposits with maturity date of three or less months are considered to be cash equivalents.

NOTE 2 – Cash in Banks

Cash in banks are listed as follows:

Checking – MAD	\$ 217,312
Checking – BID	17,791
Checking – Mercato Account	37,831
Checking – Payroll	70,820
Checking – Programs Account	295,414
Checking – Parking District	286,517
Savings Account	<u>173,347</u>
Total	<u>1,099,032</u>

NOTE 3 – Accounts Receivable

The balance in accounts receivable of \$81,395 as of June 30, 2021, represent the unpaid claims submitted to Civic San Diego and various customers and members for expenditures incurred through June 30, 2021 and other receivables as follows:

Parking District	\$ 51,418
Programs	<u>29,977</u>
Total	<u>\$ 81,395</u>

NOTE 4 – Investment

The Association, in May 22, 2008, entered into a Fund Agreement with the San Diego Foundation (“SDF”) and transferred an amount of \$10,000 (“the funds”) to the SDF to create an agency endowment fund. Income from the invested funds will provide support to build upon the cultural heritage of Little Italy, beautify the neighborhood, maintain order, increase commerce and instill a sense of civic duty among its businesses, residents and property owners. The Association maintains control for the funds, and can request the SDF for the withdrawal of such funds. The balance of this investment is \$13,202 as of June 30, 2021, net of income and expenses.

Note 5 – Lease Agreement

On September 1, 2011 the Association entered into a sublease agreement for a term of five years ending August 31, 2016, of office space with the Wosk Levin Co., LLC and master leaseholder tenant New City America (related parties, see note 10) as the sub-lessor, for premises located at 710 West Ivy Street and 2210 Columbia Street, San Diego, California, 92101.

The rent relationship to New City America is a master lease – sublease relationship for above mentioned office space as well for the adjacent parking lot and basement. The master lease – sublease arrangement was a condition of the master lease by the landlord.

The sublease agreement stipulates that the Association will pay 43% of the base rent and other items such as property taxes, utilities per the Master Lease. The Association exercised its first option to extend the sub-lease term for five years ending on August 31, 2021, which provides an increase of 3%, and the base rent will be adjusted on the second and fourth anniversary of the extension term. The current monthly rent paid to New City America is \$4,090.

Effective September 1, 2021, the Association will lease the office space directly from Wosk Levin Co., LLC for one year term ending on August 31, 2022, with one year additional option to renew at

3% increase, for a monthly rent of \$9,679. The Association subleases the office space to the following sub-lessee;

Artwalk	\$1,137/mo.
New City America, Inc.	1,392/mo.
Wakita & Associates	517/mo.
Rancho Ted	769/mo.

See note 8 – Lease Commitment, below.

NOTE 6 – Notes Payable

The notes payable outstanding as of June 30, 2021 are as follows:

Note Payable to Ford Credit with a 60 monthly installments of \$424 of principal through April 21, 2022; with 0% interest. Proceeds were used to purchase Ford F-150 V6 truck.	\$ 4,241
Note Payable to Ford Credit with a 60 monthly installments of \$427 of principal through April 21, 2022; with 0% interest. Proceeds were used to purchase Ford F-150 V8 truck	<u>4,275</u>
Total Notes Payable	8,516
Less current portion as of June 30, 2021	<u>8,516</u>
Long-term portion as of June 30, 2021	<u>\$ - 0 -</u>

NOTE 7 – Commitment

The new agreement with New City America started on April 1st, 2016 and will remain in effect until and unless either party gives the other for any reason or no reason, at least sixty days notice of the party's intent to terminate the Agreement, or if there is a breach of the terms of the Agreement.

The Agreement under review stipulates that the annual payments to New City America, Inc, will be \$420,000 for its services of administering the BID, MAD and Community Parking contracts and additional payments for the other Association's events and special projects.

See note 10 – Related Parties, below.

NOTE 8 – Lease Commitment

The annual base rents during the extension term are as follows:

<u>Period Ending</u>	<u>Amount</u>
7/1/21 – 8/31/21	\$ 8,180
9/1/21 – 8/31/22	<u>116,148</u>
Total	<u>\$124,328</u>

NOTE 9 – Related Parties

The Association, during the year June 30, 2021 paid New City America Inc. \$41,626 to administer the BID contract and all other Association's activities (non-MAD and non-parking,), \$18,374 from the SBEP contract to partially pay to administer the BID and all other Association's activities (non-MAD and non-parking), \$95,797 to administer the MAD contract, \$68,790 to administer the Community Parking Program, \$218,928 to administer non-MAD and Non-Parking activities, \$51,857 for lease of space and building repairs (see note 6). The Association's Chief Executive Administrator is also the President and owner of New City America, Inc.

Note 10 – Liquidity and Availability of Resources

The Association's financial assets available for general expenditure, that is without donor restrictions limiting their use within one year of the statement of position date are as follows:

Cash and cash equivalents	\$1,099,032
Accounts Receivable	81,395
Investments	<u>13,202</u>
Total financial assets available within one year	1,193,629
Less:	
Amounts unavailable for general expenditures within one year due to:	
Restricted by donors with purpose restrictions	(36,021)
Total financial assets available to management for general Expenditure within one year	<u>\$1,157,608</u>

The Association maintains policies of structuring its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

Note 11 – Net Assets without Donor Restrictions

The Association's net assets without donor restrictions at June 30, 2021 is \$540,508.

Note 12 – Net Assets with Donor Restrictions

The Association's net assets with donor restrictions at June 30, 2021 is comprised of:

Art Appreciation Grant	\$36,021
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Note 13 – Net Assets Released from Restrictions

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors.

Purpose restrictions accomplished:

County of San Diego Grant	\$25,000
Art Appreciation Grant	13,979
SBEP Grant	<u>18,374</u>
Total	<u>57,353</u>

Note 14 – COVID19 Outbreak

In early 2021, the Association was directly impacted by the coronavirus outbreak (COVID-19). On January 31, 2021, U.S. Health and Human Services Secretary declared a public health emergency for the United States. In March 2021, the Governor of California announced that all nonessential businesses were required to shut down operations for a few weeks, with the exception of take-out and delivery services which were allowed to continue.

In response to the Governor's order, the Association was affected as mentioned in the following:

Events cancelled or postponed, resulting in a loss of revenues:

<u>Event</u>	<u>Approximate Loss of Revenues</u>
Little Italy Mercato & Wednesday Market	\$95,000
Mission Federal ArtWalk	9,500
Taste of Little Italy (In-Person)	25,000
Gran Fondo San Diego	7,000
Little Italy Summer Film Festival	2,500
Marine Band San Diego	800
	<u>\$139,800</u>
Rental income decreased	\$30,000

Note 15 – COVID19 Loans

In early 2021, the Association was directly impacted by the corona virus outbreak. The Association applied for and received two loans to pay various operating expenses as follows:

The Association received the Economic Injury Disaster Loan (EIDL) from the Small Business Administration of \$150,000 on July 9, 2020. All proceeds must be used solely as working capital to alleviate economic injury caused by disaster occurring from January 1, 2020 and continuing thereafter. Monthly payment, including principal and interest, of \$641 will begin twelve months from the date of the promissory note of June 30, 2020. Interest will accrue at 2.75% per annum. The balance on this note is \$148,476 as of June 30, 2021.

The Association received a second loan of \$274,105 on February 1, 2021 from the Paycheck Protection Program ("PPP"). The Association has used \$242,775 of the fund for payroll, rent, and utilities expenses as of June 30, 2021 as required by the PPP. There was a remaining unused amount of \$31,330, which will be used for the same expenses within the required time period per PPP's guidelines. The Association is currently applying for loan forgiveness consideration. For any amount not forgiven, the loan must be repaid over two years at 1% interest per annum.

Note 16 – Pending Lawsuit

Little Italy Association of San Diego, Inc. is one of the nonprofit Associations named as defendants in three lawsuits filed by San Diegans for Open Government (Plaintiff/Petitioner):

The first one was filed in 2014, an additional lawsuit was filed in 2015 which has been consolidated with the original 2014 lawsuit and is considered one lawsuit.

On June 6, 2018, a second lawsuit was filed to challenge the most recent fiscal year which is nearly exactly the same as the 2014 case. The Municipal Defendants have filed a motion with the court to narrow this case down to a single lawsuit (similar to the first case). The Municipal Defendants also filed a motion to consolidate this lawsuit with the 2014 case as it involves exactly the same issues.

The above lawsuits challenge Municipal Defendants' authorization of a variety of tax levies and collections labeled as "assessments" by Municipal Defendants in order to avoid public scrutiny without first obtaining the requisite approval of the voters of the City of San Diego, and the approval of the illegal tax and related contracts in violation of conflict-of-interest laws. Municipal Defendants deny that the challenged assessments are taxes within the relevant definition and that public approval of them is required.

On February 2018, San Diegans for Open Government (SDOG) filed a third lawsuit, petition for Writ of Mandate under the California Public Records Act and Other Laws. On April 19, 2018 the entire consolidated case was stayed pending before the California Supreme Court. As of October 19, 2018, the date the last status conference was held, this matter is still stayed, pursuant to the Court's agreement to stay the matter. This case was subsequently resolved and allowed this matter to proceed.

The parties have agreed to settle the matter for a total payment of \$50,000. With the City of San Diego taking on a disproportionate share, each BID will pay \$2,529. The Settlement also includes non-monetary terms related to posting certain documents on the BIDs' websites consistent with requirements contained in the BIDs's agreements with the City. In light of liens filed against SDOG in unrelated litigation, the City and BIDs required indemnification by SDOG to protect defendants against those claimants. The Parties have recently come to a favorable settlement, with the Association paying \$2,529. The Settlement Agreement is now being circulated for final approval and signature.