File No. 101361

Committee Item No. 2
Board Item No. 24

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee Government Audit and Oversight Date December 09, 2010

Board of Supervisors Meeting Date January 04, 2011

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OTHER (Use back side if additional space is needed)

☒	☒	Cover letter dated, September 29, 2010, SF Office of Economic and Workforce Development
☒	☒	Memo dated, September 29, 2010, Office of Economic and Workforce Development
☒	☒	Noe Valley Association Annual Report, Newsletter FY 2006-07
☒	☒	Noe Valley Association Financial Statements, dated June 30, 2007
☒	☒	Noe Valley Association Annual Report, Newsletter FY 2007-08
☒	☒	Noe Valley Association Financial Statements, dated June 30, 2008
☒	☒	Noe Valley Association Annual Report, Newsletter FY 2008-09
☒	☒	Noe Valley Association Financial Statements, dated June 30, 2009

Completed by: LaTonia Stokes Date December 2, 2010
Completed by: LaTonia Stokes Date December 13, 2010

An asterisked item represents the cover sheet to a document that exceeds 20 pages. The complete document is in the file.

[Noe Valley Community Benefit District Annual Reports to the City.]

Resolution regarding Noe Valley Community Benefit District annual reports to the City: receiving and approving the District's Annual Reports for District Fiscal Years 2006-2007, 2007-2008, and 2008-2009, as submitted pursuant to Section 36650 of the Business Property and Community Benefit Act of 1994 (California Streets and Highways Code §§36600 *et seq.*) and Section 3.4 of the District's management contract with the City.

WHEREAS, on June 7, 2005, pursuant to the Property and Community Benefit Law of 1994, California Streets and Highways Code Sections 36600 *et seq.* (the "Act"), as augmented by Article 15 of the San Francisco Business and Tax Regulations Code ("Article 15"), the Board of Supervisors adopted Resolution No. 420-05 "Resolution of Intention to form the Noe Valley Community Benefit District (BID)" ("Resolution of Intention"); and,

WHEREAS, on August 2, 2005 the Board of Supervisors adopted Resolution No. 583-05 "Resolution to Establish the Noe Valley Community Benefit District" (Resolution to Establish) for a period of 15 years commencing with fiscal year 2005-2006; and,

WHEREAS, on January 10, 2006 the Board of Supervisors adopted Resolution No. 13-06 "Contract with Owners' Association for Administration of Noe Valley Community Benefit District;" and

WHEREAS, the Noe Valley Community Benefit District Annual Report for 2005-2006 was previously approved by the Board of Supervisors in Resolution No. 346-07; now, therefore, be it

RESOLVED, that the Board of Supervisors declares as follows:

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Section 1. RECEIPT AND APPROVAL OF THE NOE VALLEY COMMUNITY BENEFIT DISTRICT'S ANNUAL REPORTS TO THE CITY.

The Board hereby receives and approves the Noe Valley Community Benefit District's Annual Reports for District Fiscal Years 2006-2007, 2007-2008, and 2008-2009.

Supporting documents for these annual reports are on file with the Clerk of the Board of Supervisors in File No. 101361, and include a transmittal letter and memorandum report from the City's Office of Economic and Workforce Development dated September 29, 2010, and documentation from the Noe Valley Association.

These annual reports are submitted pursuant to Section 36650 of the Business Property and Community Benefit Act of 1994 (California Streets and Highways Code §§36600 *et seq.*), and pursuant to Section 3.4 of the District's Management Contract with the City (*i.e.*, Section 3.4 of the City's agreement/contract with the nonprofit property owners' association Noe Valley Association for management and administration of the Noe Valley Community Benefit District) which is on file with the Clerk of the Board of Supervisors in File No. 051967 (re Resolution No. 13-06).

MEMO

To: Supervisor Bevan Dufty

From: Lisa Pagan and Trina Villanueva, Office of Economic and Workforce Development

RE: Noe Valley Association

Date: October 25, 2010

Talking Points for Introduction of a Resolution approving the annual reports and financial statements of Noe Valley Association for FY 2006-07, FY 2007-08 and FY 2008-09.

Background

- This community benefit district was formed in 2005.
- Noe Valley Association (NVA) receives assessment funds from 176 property owners.
- The CBD consists of six city blocks on 24th Street between Church and Douglas Streets.
- Organization is run by Debra Niemann who has been doing a great job managing the work of the CBD, ensuring that events and activities are taking place in Noe Valley and raising outside funds to support the CBD's streetscape improvement projects.
- Average annual budget of CBD is approximately $275,000. Of this, approximately $221,000 is from assessment funds.

Compliance

- NVA has submitted almost all of the required reports for the past three years. They did not submit mid-year reports for the past three years but have agreed to do so from now on. They provided a mid-year report for FY2009-2010.
- NVA has continued to operate with an annual budget that closely follows the original Management Plan budget.
- Each year, NVA surpasses the requirement of raising at least 5% of funding from other sources.
- NVA has a plan for spending their carryover funds from previous fiscal years.

Highlights

- First DuraTherm Crosswalk in San Francisco (intersection of Castro and 24th Streets);
- Recently hosted the 5th annual Harvest Festival and 3rd annual Egg Hunt (NVA serves as the fiscal agent for these events) attended by hundreds of families;
- This past year, the CBD cleaning crew removed 95 pieces of bulky & illegal trash and repainted and degreased 26 city garbage cans;
- The CBD maintained 202 trees within district, two public bulletin boards and created 5 new garden sites;
- held 2 community meetings to discuss Pavement to Parks project.

SAN FRANCISCO
Office of Economic and Workforce Development

City and County of San Francisco :: Gavin Newsom, Mayor
Economic and Workforce Development :: Michael Cohen, Director

September 29, 2010

Supervisor Bevan Dufty
San Francisco Board of Supervisors
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco, Ca 94102-4689

Dear Supervisor Dufty,

We are submitting this packet on Noe Valley Association (NVA) for your review. Per their contract with the City, we are requesting that you introduce a resolution to approve the annual reports and financial statements of NVA for FY 2006-07, FY 2007-08 and FY 2008-09 and their organizational budget for FY 2009-10. We also ask that you schedule a public hearing through the appropriate committee to take testimony on the work of the Community Benefit District for the past three years.

Included in this packet:

1) Draft resolution from the City Attorney
2) Memo summarizing the accomplishments of NVA
3) Summary and analysis of their financial statements
4) Annual Reports from FY 2006-07, FY 2007-08 and FY 2008-09
5) CPA Financial Reviews from FY 2006-07, FY 2007-08 and FY 2008-09

Per their contract with the City, NVA is required to submit the following reports:

1) Mid-year report (due January 31st, on two quarters of work)
2) Annual Report (due July 31st, 30 days after the end of their fiscal year)
3) Unaudited Financial Statements and Budget for the following year (due July 31st, 30 days after the end of fiscal year)
4) CPA Financial Review or Audit (due October 31st, 120 days after the end of fiscal year)

NVA has complied with almost all of these requirements. They did not submit mid-year reports for the past three years but have agreed to do so from now on. Attached please find a memo that summarizes their accomplishments for the past three years and a summary and analysis of their financial statements (based on their CPA Financial Reviews). OEWD staff, with assistance from the Controller's Office, reviewed these financial documents to monitor and report on whether they have complied with the rules per the Property and Business Improvement District Law of 1994, California Streets and Highways Code Sections 36600 Et Seq.; San Francisco's Business and Tax Regulations Code Article 15; the NVA management contract with the City; and their Management Plan approved by the Board of Supervisors in 2005.

OEWD's staff report reviewed the following budget related benchmarks for NVA:

1 Dr. Carlton B. Goodlett Place, Room 448 San Francisco, CA 94102 | www.oewd.org
p: 415.554.6969 f: 415.554.6018

1) Whether the variance between the budget amounts for each service category was within 10 percentage points from the budget of the previous fiscal year – *NVA met this requirement for all years covered in this report.*
2) Whether five percent of their income came from sources other than assessment revenue - *NVA met this requirement for all years covered in this report.*
3) Whether the variance between budget amount and actual expenses within a fiscal year was within 10 percent – *This analysis is explained on page 4 of the OEWD staff report.*
4) Whether the annual budget indicates the amount of funds carried over from the previous fiscal year – *This analysis is included in Tables 3 and 4 on pages 8 and 9 of the OEWD staff report based on meetings with NVA and review of their financial reports but was not included in NVA's budget submissions.*
5) Whether a spending plan for carryover funds was provided in each of the annual budgets – *NVA has not included a plan for use of their carryover funds for all years covered in this report. However, a disbursement plan has been submitted beginning FY 09-10.*

The Board of Supervisors will need to vote on the attached resolution to approve FY 2006-07, FY 2007-08 and FY 2008-09 NVA annual reports and financial statements as well as their organizational budget for FY 2009-10. The NVA annual report for FY 2009-10 was submitted but their CPA Financial Review will not be due to OEWD until October 31, 2010. OEWD will come back to the Board of Supervisors later this year to ask for approval of NVA's work in FY 2009-10 and their organizational budget for FY 2010-11.

Please contact me anytime at 415-554-6936 for any questions you may have about NVA or the materials we have provided.

Thank you for your continuing support of Noe Valley Association. We look forward to working with you throughout this process.

Sincerely,

Lisa Pagan
Project Manager
OEWD Community Benefit District/Business Improvement District
Technical Assistance Program

MEMO

To: Board of Supervisors

From: Office of Economic and Workforce Development, Lisa Pagan and Trina Villanueva

RE: Noe Valley Association - Community Benefit District Annual Report Review

Date: September 29, 2010

Noe Valley Association (NVA) receives assessment funds from 176 property owners. This community benefit district consists of six city blocks on 24th Street between Church and Douglas Streets.

Background

- August 11, 2005, the Board of Supervisors approved the establishment of the Noe Valley Community Benefit District (Resolution # 583-05).
- January 10, 2006, the Board approved the contract for the administration and management of the Noe Valley Community Benefit District (Resolution # 13-06).
- June 27, 2007, the Board of Supervisors approved the FY 2005-2006 annual report, budget and financial statements of the Noe Valley Association. At that time, the Board also approved the CBD's 2006-2007 budget (Resolution #346-07).

Basic Info about Noe Valley CBD
Year Established – August 2005
Assessments Collected – FY 2005-06 to FY 2019-20 (July 1, 2005 – June 30, 2020)
Services Start and End Date – January 1, 2006 – December 31, 2020
Initial Estimated Annual Budget – $230,138.00
Fiscal Year – July 1st – June 30th
Part-Time Executive Director – Debra Niemann
Name of Nonprofit Entity – Noe Valley Association

Each year the CBD is required to submit a mid-year report, an annual report and a CPA Financial Review or Audit. NVA has submitted almost all of the required reports for the past three years. They did not submit mid-year reports for the past three years but have agreed to do so from now on. This report summarizes their accomplishments for the past three years and includes a summary and analysis of their financial statements (based on CPA Financial Reviews). OEWD staff, with assistance from the Controller's Office, reviewed these financial documents to monitor and report on whether they have complied with the following rules per the Property and Business Improvement District Law of 1994, California Streets and Highways Code Sections 36600 Et Seq.; San Francisco's Business and Tax Regulations Code Article 15; the Mission BID management contract with the City and County of San Francisco; and their Management Plan approved by the Board of Supervisors in 2005.

OEWD's staff report reviewed the following budget related benchmarks for the Mission BID:

1) Whether the variance between the budget amounts for each service category was within 10 percentage points from the budget of the previous fiscal year – *NVA met this requirement for all years covered in this report.*

2) Whether five percent of their income came from sources other than assessment revenue - *NVA met this requirement for all years covered in this report.*

3) Whether the variance between budget amount and actual expenses within a fiscal year was within 10 percent – *This analysis is explained on page 4 of this report.*

4) Whether the annual budget indicates the amount of funds carried over from the previous fiscal year - *This analysis is included in Tables 3 and 4 on pages 8 and 9 of this report based on meetings with NVA and review of their financial reports but was not included in NVA's budget submissions.*

5) Whether a spending plan for carryover funds was provided in each of the annual budgets – *NVA has not included a plan for use of their carryover funds for all years covered in this report. However, a disbursement plan has been submitted beginning FY 09-10.*

Summary of Accomplishments and Challenges 2006-2009

Public Right of Way and Sidewalk Operations

Since the inception of the Noe Valley Association, they have spent a majority of their resources on Public Right of Way and Sidewalk Operations. They are in compliance with their Management Plan which calls for the CBD to spend a majority of their budget on this service category annually. During FY 2005-06, the CBD hired *MJM Management Group* to conduct daily cleaning, hot steam cleaning, graffiti removal, illegal trash removal and other sanitation services. At that time, they also worked with the DPW 28CLEAN to deal with trash abusers. During FY 2007-08, the CBD changed their cleaning contract and hired *GMG Janitorial Inc.* to do the same type of sidewalk cleaning services.

A summary of GMG's work from FY 2008-09 shows that GMG employees removed 45 flyers and posters, removed graffiti from 68 locations, repainted and degreased 26 city garbage cans, removed 87 pieces of bulky and illegal trash and steamed cleaned eight times from April to November.

District Identity and Streetscape Improvements

The CBD's work in this service area has been in compliance with the Management Plan. They have also been successful in finding other sources of funding which has allowed them to do more.

District Identity:

One of the events that has helped promote Noe Valley's commercial district is the Harvest Festival. The CBD initiated a partnership with Friends of Noe Valley, the Merchants Association and Noe Valley Famer's Market to fiscally sponsor this neighborhood event held annually in October. Noe Valley Association serves as the fiscal agent for the festival. They held the fourth Harvest Festival this past October. Another event the CBD has helped organize is the Spring/Easter Egg Hunt. For the past two years, 600 families from Noe Valley attended this CBD sponsored community Spring event.

Another way for residents to know about the work of the CBD is through the two Public Bulletin Boards they installed in the City Parking lot on 24th Street. One is specifically dedicated to the Noe Valley Association to inform the public of its activities.

In 2007-08, NVA created a website, www.noevalleyassociation.org that includes information about their purpose and accomplishments, about the board and upcoming board meetings, the latest annual report, a photo gallery and their long-term plans.

Streetscape Improvements:
In 2006, NVA contracted with *Urban Ecology* to begin creating a long-term plan for streetscape improvements on 24th Street. In 2007, after conducting a public planning process with property owners, merchants and community members, they published a report called "Noe Valley's 24th Street, an Urban Village."
(http://www.noevalleyassociation.org/Noe_Valley_Association/Noe_Valley_Long-Term_Plan.html). They are now in the process of implementing the improvements called for in the streetscape plan.

During NVA's first year of operation, they worked with Friends of the Urban Forest and DPW to plant 66 new trees from Church to Castro Streets. In FY 2006-07, they received a SF Community Challenge Grant and planted another 68 trees and replaced 11 old trees which had been vandalized. Since its inception, the CBD has planted a total of 139 trees in the neighborhood. The CBD hires a part-time community gardener to maintain the new and existing trees.

In 2006 NVA installed 25 hanging flower baskets on MUNI stability poles along 24th Street. They also worked with MTA to improve a city owned parking lot on the 4500 block of 24th Street. A public seating area, planter boxes and two public bulletin boards were installed at this parking lot as part of the improvements. In 2008, they successfully petitioned the City to take down three large overgrown eucalyptus trees in the parking lot and replaced them with large box cherry trees. NVA maintains the public seating area, the parking lot and bulletin boards.

Other streetscape improvements in the neighborhood include new newspaper racks and benches. Over the past two years, DPW installed new newspaper racks around the neighborhood and placed them near buildings to allow for maximum sidewalk space. In 2009, NVA also collaborated with Whole Foods to install streetscape improvements in front of their grocery store. As a result, there are four new benches and four new planter boxes between the store and the Bernie's Coffee next door.

NVA installed the first DuraTherm crosswalk in San Francisco at the intersection of Castro and 24th Streets to improve pedestrian safety while crossing this once dangerous intersection. This process began in 2007 when NVA began working with DPW and Integrated Paving Concepts. They advocated to DPW to become a test site for this decorative and tough crosswalk material never previously installed in San Francisco. This plan came to fruition in 2009 and as a "test site" for the City the CBD saved $45,000 in installation and permit fees. They also received a direct grant from Integrated Paving Concepts and OEWD to help install the crosswalk.

Since 2006 they have received donations, three Community Challenge grants, a grant from OEWD and from Integrated Paving Concepts for various streetscape improvements.

Administrative and Corporate Operations
During FY 2005-06 Debra Niemann was hired as NVA's part-time Executive Director. Since then, she and their 10-member Board of Directors have been working on establishing the infrastructure of the organization. They were awarded their 501c3 designation in July 2006; secured all the required insurance; and set up board committees and elected officers. They continue to ensure that the organization fulfills all their financial and regulatory requirements.

CBD Annual Budget Analysis
For the past four years, NVA received an average of $221,000 in assessment funds annually. The rest of their budget comes from grants and donations. Below is a summary of their income and expenses for the last three fiscal years based on their CPA Financial Reviews.

FY 2006-2007

During FY 2006-07, the CBD changed their fiscal year so their financial statements reflect eight months of operation. They originally had an Oct. 1 to Sept. 30th fiscal year but changed it to July 1 to June 30th to match the City's fiscal year.

Because of the shortened fiscal year, the amount NVA spent in the Public Rights of Way and Sidewalk Operations service category was lower than for the previous twelve month period. NVA spent more than their budgeted amount in the District Identity and Streetscape Improvement service category because they began acting as the fiscal agent for the Harvest Festival. The funds to put on this event come from outside sources and not assessment funds.

The CBD generated assessment revenues of $211,877 and was awarded $33,193 in donations. As a result, the CBD received 14% of their income from sources other than assessment funds. The CBD ended the fiscal year with net assets [1] of $117,987. They had $118,537 in cash available as of June 30, 2007.

As with all CBDs, Noe Valley Association receives a check from the City for the second payment of assessment funds in May. Because they receive these funds towards the end of the fiscal year, most of it will be spent on operating expenses for first six months of the following fiscal year.

FY 2007-2008

The organizational budget was the same as the previous fiscal year ($217,962). The CBD had total revenues of $292,356 and expended $267,561. The CBD stayed within 10 percentage points of the budgeted amount for each service category from the previous fiscal year budget. NVA ended the year with net assets of $142,782. This was the same amount of cash they had available as of June 30, 2008.

NVA spent more in the Public Rights of Way and Sidewalk Operations service category than budgeted because they had under-spent in this area during FY 06-07. Overall, NVA's actual expenses during this fiscal year were proportional to their budgeted amounts in each service category.

The income sources for NVA in FY 2007-08 were from assessment funds, donations and earned revenue. The CBD received 13% of their income from sources other than assessment funds.

FY 2008-2009

In FY 2008-09, the CBD generated assessment revenue of $269,313 and received $49,869 in donations and grants. As a result, 16% of their revenue came from sources other than assessment funds. The CBD stayed within 10 percentage points of the budgeted amount for each service category from the previous fiscal year budget. The CBD ended the fiscal year with net assets of $196,399. This was also the same amount they had available in cash as of June 30, 2009.

FY 2009-2010

NVA proposed a budget of $253,200 for FY 2009-2010. At the end of the previous fiscal year, they had $196,399 in cash available. NVA plans to spend $147,000 in the different service

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[1] Net Assets are the difference between the organization's total assets and its total liabilities on the balance sheet indicating the net financial worth for the organization.

categories during the first six months of the 09-10 fiscal year. In addition, $10,314 is for the Harvest Festival and $9,686 for the West Portal CBD formation process. All budget line items (percentage of total budget) are consistent with the original Management Plan.

Findings/Recommendations

1) Per their contract with the City, NVA needs to comply with the requirement to submit Mid-Year reports. They have agreed and submitted their Mid-Year report for FY 2009-10.

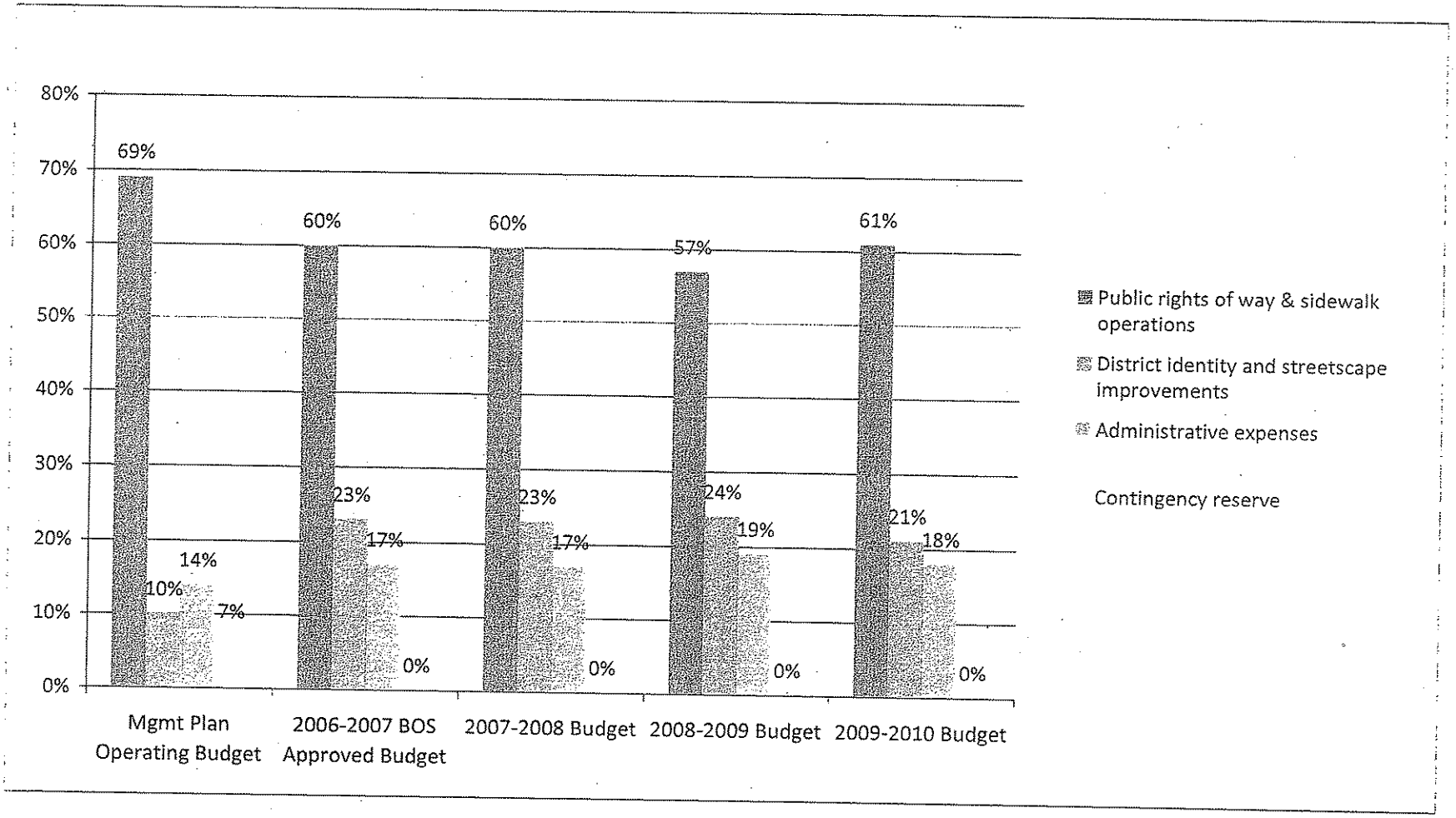
2) Per state BID law, NVA is required to allocate carryover revenue to specific services or capital projects in their organizational budget each year. Future annual NVA budgets and financial reports should include any carryover revenue from previous years and a detailed plan on how carryover revenue will be spent in the current or subsequent years.

3) NVA should include in their annual budget an amount for contingency reserve within 10 percentage points of the Management Plan approved contingency budget line item.

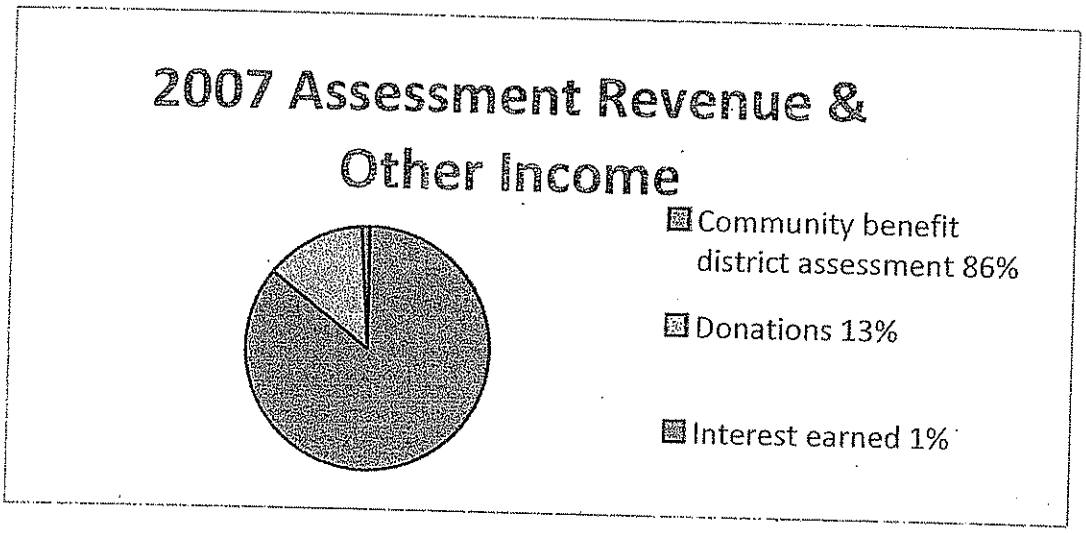
The Noe Valley Association has consistently leveraged their assessment revenue to raise grant funds from the public and private sectors and invest in capital investments. They have brought together the Noe Valley Merchant's Association, neighborhood residents and property owners to work on innovative projects and events such as the Harvest Festival that improve and promote the neighborhood commercial district. They have provided consistent quality cleaning services and have achieved tremendous success with the installation of new street trees, flower baskets, landscaping, street furniture and multiple public gathering areas. The Noe Valley Association is an exemplary caretaker for its neighborhood commercial district.

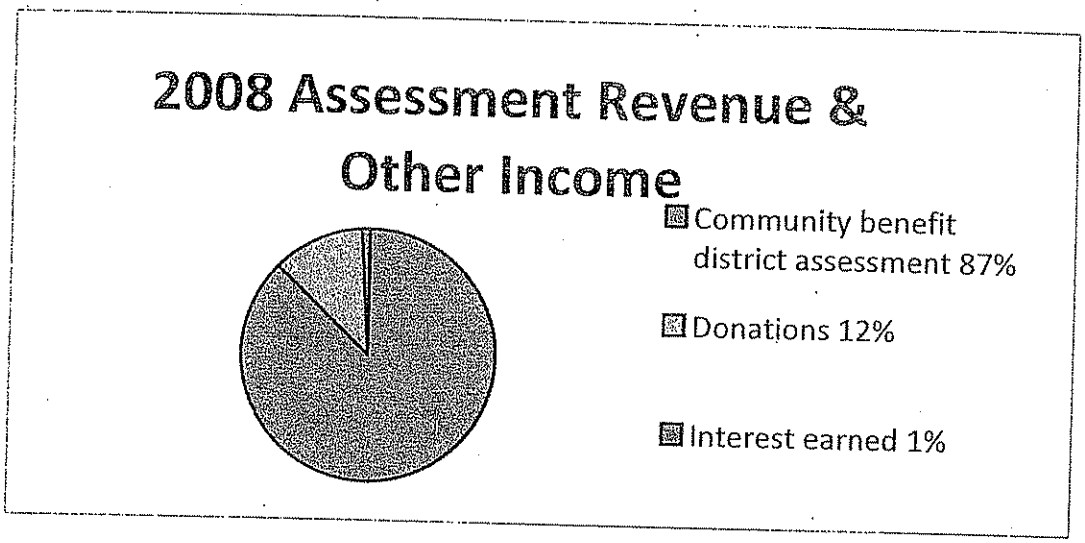
Table 1

Annual Budgets compared to original Management Plan Budget



Other Income Sources (e.g. Grants, Donations, In-Kind, etc.) / 5% requirement





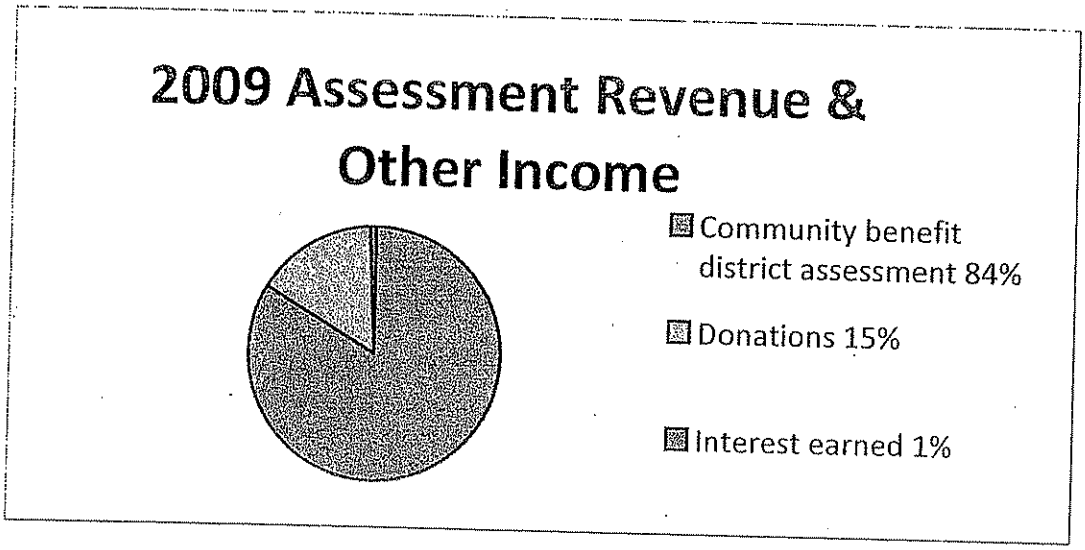


Table 3

NOE VALLEY ASSOCIATION COMMUNITY BENEFIT DISTRICT

Revenue and Expenditures - Budget vs Actual

Fiscal Years Ending 2007 through 2009

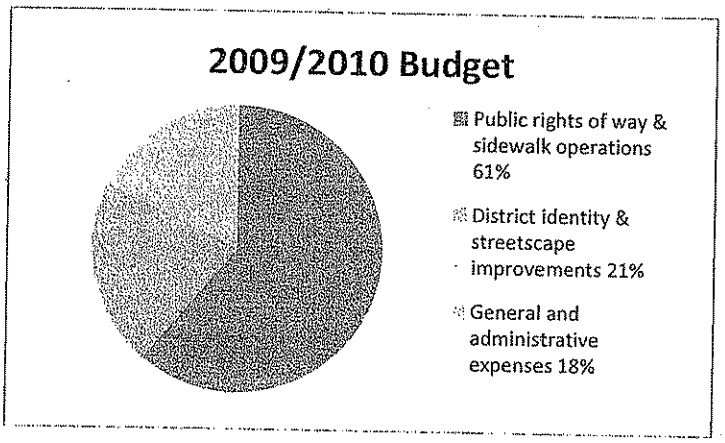
	Year Ended June 30, 2007				Year Ended June 30, 2008				Year Ended June 30, 2009			
	Actuals	Budget	Difference	% Difference	Actuals	Budget	Difference	% Difference	Actuals	Budget	Difference	% Difference
REVENUES*												
Community benefit district assessment	211,897	217,962			255,045	217,962			269,116	254,000		
Donations	32,193				33,841				49,869			
Interest earned	12,472				3,470				2,641			
Carryover from previous year	87,911	87,911			117,987	117,987			142,782	142,782		
Total support and revenue	395,453	305,873			410,343	335,949			464,608	396,782		
EXPENDITURES												
Program services												
Public rights of way & sidewalk operations	106,149	131,404	-25,255	-19%	168,664	131,404	37,260	28%	131,774	143,500	-11,726	-8%
District identity & streetscape improvements	78,918	50,000	28,918	58%	53,575	50,000	3,575	7%	84,809	61,500	23,309	38%
General and administrative expenses	32,399	36,558	-4,159	-11%	45,322	36,558	8,764	24%	51,626	49,000	2,626	5%
Total expenses	217,466	217,962	-496		267,561	217,962	49,599		268,209	254,000	14,209	
Total Carryover to next year	177,987				142,782				196,399			

* Budget vs actual statement includes carryover funds not spent in previous year.

Table 4

NOE VALLEY ASSOCIATION COMMUNITY BENEFIT DISTRICT
2009/2010 Budget

REVENUES		
Community benefit district assessment		234,000
Grants		16,000
Donations		1,000
Interest earned		2,200
Carryover from previous year		196,399
Total support and revenue	$	449,599
EXPENDITURES		
Program services		
Public rights of way & sidewalk operations		155,000
District identity & streetscape improvements		53,200
General and administrative expenses		45,000
Total expenses	$	253,200
Excess of revenues over expenditures	$	196,399



Proposed 2008-2009 Carryover Disbursement in FY 2009-2010		
Carryover Revenue	$	196,399
Program Services (Six months of operations)		
Public Rights of Way and Sidewalk Operations	$	90,000
District Identity and Streetscape Improvement	$	22,000
Harvest Festival	$	10,314
Administrative	$	25,000
West Portal CBD Formation	$	9,686
Contingency	$	10,000
	$	167,000
Balance	$	29,399
Proposed 2008-2009 Carryover Disbursement in FY 2010-2011		
Streetscape Improvement Projects		
Community gardener; maintenance of trees, hanging floral baskets, bulletin boards	$	29,399
Balance	$	-

ANNUAL REPORT

Noe Valley Association
A Community Benefits District

The Noe Valley Association (CBD) was established in August 2005 as a fifteen-year community benefits district which receives an annual special assessment from the 176 property owners in the district. The first assessments were received by the NVA in January 2006.

The NVA consists of roughly six city blocks, including the side streets of corner buildings, on 24th Street in Noe Valley between Church & Douglas Streets.

Services Provided

Public Rights of Way and Sidewalk Operations

• Daily sidewalk and gutter sweeping and spot cleaning continues seven days a week.

• Eight hot water steam cleanings from April through November plus additional deep cold-water wash cleaning of sidewalks as needed. A special sidewalk scrubber was purchased which aggressively scrubs sidewalks.

• Removed over 188 pieces of bulky and illegal trash (boxes, furniture, yard debris, bags of garbage, etc.) from sidewalks and gutters, worked with 28CLEAN and reported consistent trash abusers. This is a 26% reduction in bulky trash versus one year ago.

• Removed 134 graffiti marks within 24 hours. This was a 77% reduction in graffiti markings. The NVA was awarded the Mayor's citation for outstanding graffiti removal in January 2007.

• Replaced the liners of 14 city garbage cans as needed to prevent leakage and obtained trash keys from DPW to replace liners on an as-needed basis.

• Removal of flyers and posters on utility poles in the District. Regular monitoring of flyers and maintenance of street poles.

• Pruned 50% of the existing trees in the district. The remaining 50% will be trimmed in FY 2008. All established trees were put on a three-year trimming cycle.

• Removed dead trees and sucker branches and continued to regularly maintain and clean tree wells.

District Identity and Streetscape Improvements

• Planted 68 trees in April 2007 with help from Noe Valley community members and funding from a SF Community Challenge Grant. Replaced 11 trees which had been vandalized and covered them with metal cage material to protect from future vandalism. Replaced and repaired tree crossbars on a regular basis, again due to vandalism.

• Installed 25 hanging flower baskets on MUNI stability poles along 24th Street.

• Contracted with Urban Ecology to conduct three community-based meetings. A long-term plan for streetscape improvements for 24th Street, called "Noe Valley's 24th Street, an Urban Village", was created. A copy of the report is available upon request.

• We are working with DPW and MOED to fulfill two elements of the plan: bulb outs with more greening, open sidewalks and new crosswalks. The NVA has initiated conversations with Integrated Paving Concepts to use Noe Valley as a test site for DuraTherm, a new traffic tough crosswalk material. We have yet to secure DPW approval for a test site, but we are hopeful as this product is used in other major cities with excellent results.

• Noe Valley Harvest Festival - The Friends of Noe Valley, the Merchants Association, Noe Valley Farmer's Market and the NVA together created this annual neighborhood event held in October.

• Received grant monies totaling $25,500 from the Community Challenge Fund and MOED. In addition, we received $1,000 from a member of the Noe Valley community for the good work we have done to date.

• Established a news rack and underground committee to explore our options for obtaining the new news racks the Mayor is placing in large tourist and commercial areas. The Mayor promised that Noe Valley would be the first San Francisco "neighborhood" to receive the pedestal news stands. We hope the Mayor will keep his word.

Administrative/Corporate Operations

• Elected new Executive committee members at our annual meeting with property owners in June 2007.

• Published an annual report & distributed to property owners.

• Explored creating a Neighborhood Safety Network with the Noe Valley Merchants & Professional Organization in partnership with the Mayor's Neighborhood Empowerment Network.

• Revised by-laws to reflect a change in the NVA's fiscal year from October 1 - September 30 to mirror the City of San Francisco's fiscal year of July 1 – June 30.

• Held five Board meetings during the year and recruited a new community board member.

• In process of creating a website for NVA contacts, meeting dates/times and activities.

NOE VALLEY ASSOCIATION

FINANCIAL STATEMENTS

June 30, 2007

CROSBY & KANEDA
Certified Public Accountants

Dedicated to Nonprofit Organizations

CROSBY & KANEDA
Certified Public Accountants

Dedicated to Nonprofit Organizations

Latham Square Building
1611 Telegraph Ave. Suite 318
Oakland, CA 94612-2151
Tel: 510 · 835 · CPAS (2727)
Fax: 510 · 835 · 5711
e-mail: info@ckcpa.biz

Board of Directors
Noe Valley Association
San Francisco, California

We have reviewed the accompanying statements of financial position of Noe Valley Association (a nonprofit organization) as of June 30, 2007, and the related statements of activities, functional expenses, and cash flows for the year then ended, in accordance with Statements of Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of Noe Valley Association.

A review consists principally of inquiries of company personnel and analytical procedures applied to financial data. It is substantially less in scope than an examination in accordance with auditing standards generally accepted in the United States of America, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Crosby & Kaneda

Certified Public Accountants
Oakland, California
December 12, 2007

Noe Valley Association

Statement of Activities
For the nine months ended June 30, 2007

Support and Revenue		
Community benefit district assessment	$	211,877
Donations		33,193
Interest		2,472
Total support and revenue		247,542
Expenses		
Program		198,884
General and administrative		13,063
Fundraising		5,519
Total expenses		217,466
Change in net assets		30,076
Unrestricted Net Assets, beginning of year		87,911
Unrestricted Net Assets, end of year	$	117,987

See Accountants' Review Report and
Notes to the Financial Statements

Noe Valley Association

Statement of Functional Expenses
For the nine months ended June 30, 2007

	Program	General and administrative	Fundraising	Total
Salaries	$ 10,125	$ 6,075	$ 4,050	$ 20,250
Payroll taxes	860	516	343	1,719
Accounting		4,777		4,777
Supplies	507	304	203	1,014
Postage	54	32	22	108
Insurance	725	435	290	1,450
Meetings	82	49	33	164
Street maintenance	106,149			106,149
Streetscape improvement	52,092			52,092
Harvest expenses	26,826			26,826
Advertising and promotions	746	447	298	1,491
Payroll service	313	185	118	616
Fees, taxes and license	405	243	162	810
Total Expenses	$ 198,884	$ 13,063	$ 5,519	$ 217,466

See Accountants' Review Report and
Notes to the Financial Statements

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Functional Allocation of Expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

NOTE 3: CONCENTRATION AND CONTINGENCIES

Cash

The Organization maintains deposits in excess of federally insured limits. Statement of Financial Accounting Standards No. 105 identifies these items as concentration of credit risk requiring disclosure regardless of the degree of risk. The risk is managed by maintaining all deposits in high quality financial institutions.

Revenue

For the year ended June 30, 2007 the Organization received 86% of its revenue from a single source. A significant reduction in the level of this support, if this were to occur, may have an effect on the Organization's program and activities.

Noe Valley Association
A Community Benefits District

The Noe Valley Association (CBD) was established in August 2005 as a fifteen-year community benefits district which receives an annual special assessment from the 176 property owners in the district. The first assessments were received by the NVA in January 2006.

The NVA consists of roughly six city blocks including the side streets of corner buildings on 24th Street in Noe Valley between Church & Douglas Streets.

Services Provided

Public Rights of Way and Sidewalk Operations

• Daily sidewalk and gutter sweeping and spot cleaning - Monday through Sunday, eight hours per day - includes the daily watering of 25 flower baskets and any necessary watering of 132 new neighborhood trees.

• Completed eight hot water steam cleanings from March - October; spot wash cleaning of sidewalks as needed.

• Removed over 142 pieces of bulky and illegal trash (boxes, furniture, yard debris, bags of garbage, etc.) from sidewalks and gutters, worked with 28CLEAN and reported consistent trash abusers.

• GMG employees have been trained regarding City ordinances covering the appropriate removal of flyers and posters on utility poles in the District.

• Removed 51 graffiti marks and improper signage within 24 hours. Grafitti marks have moved to smaller sites on buildings, e.g. flower baskets, door frames, poles, etc.

• Replaced the liners of 26 city garbage cans to prevent leakage.

• Pruned 21 existing trees.

• Removed dead trees and sucker branches and continued to regularly maintain and clean tree wells.

District Identity and Streetscape Improvements

• Produced Spring/ Easter Egg Hunt at Noe Courts which was attended by over 600 Noe Valley familes.

• Created a traveling exhibit which illustrates the goals and accomplishments of the NVA for use at City and State meetings.

• Hired Korotkin & Associates to maintain 132 new trees through watering, mulching, weeding and monthly tree well inspections for pests and soil status.

• Replaced trees as needed due to weather, vandalism and disease. We decided to re-plant trees twice a year; bundling the tree work is more cost-efective.

• Hanging flower baskets are placed at 25 neighborhood sites and replaced every six months with new baskets.

• The NVA is the Fiscal Sponsor for the Noe Valley Harvest Festival for a third year. The Festival is a day of celebrating the neighborhood with live music, crafts, kid's activities, hayrides and costume contests.

• Maintained sidewalk area at City Parking lot and re-planted plants, placed checker board and game pieces at the site and remove old postings from bulletin board.

• The NVA was asked to join the Newsstand Committee within DPW. Pedestal news stands are to be installed along 24th Street by January 2009.

Administrative/Corporate Operations

• Elected new Executive committee members at our annual meeting with property owners in June 2008.

• Applied for and received two grants totaling over $25,000 for streetscape improvements.

• Successfully conducted search for new cleaning company which accomplished the same work for less money.

• Kept organization current with required regulatory and tax filings.

• Created a website for the NVA www.noevalleyassociation.org

• Developed and maintained working relationships with multiple city officials and departments to expedite permit and grant processes.

• Developed a contingency and reserve budget.

• Held Board meetings every three months or as needed in the Noe Valley library community room or local merchant conference room.

NOE VALLEY ASSOCIATION

FINANCIAL STATEMENTS

June 30, 2008
(With Comparative Totals for the Year Ended June 30, 2007)

CROSBY & KANEDA
Certified Public Accountants

Dedicated to Nonprofit Organizations

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Board of Directors
Noe Valley Association
San Francisco, California

We have reviewed the accompanying statements of financial position of Noe Valley Association (a nonprofit organization) as of June 30, 2008, and the related statements of activities, functional expenses, and cash flows for the year then ended, in accordance with Statements of Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of Noe Valley Association. The prior year summarized comparative information has been derived from Noe Valley Association's 2007 financial statements and, in our report, dated December 12, 2007 we did not express an opinion on those financial statements.

A review consists principally of inquiries of company personnel and analytical procedures applied to financial data. It is substantially less in scope than an examination in accordance with auditing standards generally accepted in the United States of America, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Crosby & Kaneda

Certified Public Accountants
Oakland, California
October 7, 2008

Noe Valley Association

Statement of Activities
For the Year Ended June 30, 2008
(With Comparative Totals for the Year Ended June 30, 2007)

	2008	2007
Support and Revenue		
Government fees	$ 255,045	$ 211,877
Donations	33,841	33,193
Interest	3,470	2,472
Total support and revenue	292,356	247,542
Expenses		
Program	227,741	198,884
General and administrative	25,065	13,063
Fundraising	14,755	5,519
Total expenses	267,561	217466
Change in net assets	24,795	30,076
Unrestricted Net Assets, beginning of year	117,987	87,911
Unrestricted Net Assets, end of year	$ 142,782	$ 117,987

See Accountants' Review Report and
Notes to the Financial Statements

Noe Valley Association

Statement of Functional Expenses
For the Year Ended June 30, 2008
(With Comparative Totals for the Year Ended June 30, 2007)

	Program	General and administrative	Fundraising	Totals 2008	Totals 2007
Salaries	$ 15,330	$ 9,198	$ 6,132	$ 30,660	$ 20,250
Payroll taxes	1,334	800	534	2,668	1,719
Accounting		2,935		2,935	4,777
Supplies	479	288	192	959	1,014
Postage	107	64	43	214	108
Telephone	70	42	28	140	-
Insurance	1,940	1,164	776	3,880	1,450
Meetings	17			17	164
Repairs and maintenance	727	437	291	1,455	-
Street maintenance	163,672			163,672	106,149
Streetscape improvement	27,164			27,164	52,092
Holiday expenses	1,314	788	525	2,627	-
Harvest expenses	11,892	7,135	4,757	23,784	26,826
Advertising and promotions	279	167	111	557	1,491
Payroll service	378	227	151	756	616
Miscellaneous	192	112	77	381	-
Security	2,496	1,498	998	4,992	-
Fees, taxes and license	350	210	140	700	810
Total Expenses	$ 227,741	$ 25,065	$ 14,755	$ 267,561	$ 217,466

See Accountants' Review Report and
Notes to the Financial Statements

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Functional Allocation of Expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Prior Year Summarized Information

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. 908Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2007, from which the summarized information was derived.

NOTE 3: CONCENTRATION AND CONTINGENCIES

Cash

The Organization maintains deposits in excess of federally insured limits. Statement of Financial Accounting Standards No. 105 identifies these items as concentration of credit risk requiring disclosure regardless of the degree of risk. The risk is managed by maintaining all deposits in high quality financial institutions.

Revenue

For the year ended June 30, 2008 the Organization received 87% of its revenue from a single source. A significant reduction in the level of this support, if this were to occur, may have an effect on the Organization's program and activities.

NOE VALLEY ASSOCIATION
ANNUAL REPORT
Fiscal Year 2008-2009

The Noe Valley Association (NVA) was [illegible] August 2005 as a fiscal year [illegible] with the district [illegible] annual special assessment from the 1,126 property owners in the district. [illegible] were received by the NVA in January 2006. The NVA covers approximately sixty blocks including the side streets of contributing properties on 24th Street, from Vicksburg to Church & Douglas Streets.

Services Provided

Public Rights of Way and Sidewalk Operations

The Noe Valley Association supplements the sanitation services provided by the City of San Francisco, employing one full-time and one part-time sanitation worker.

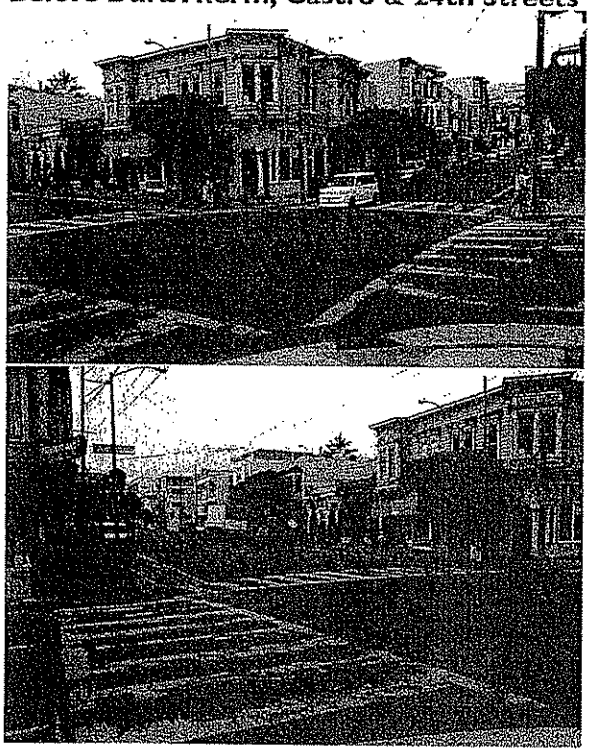
• Daily sidewalk and gutter sweeping and spot cleaning – Monday through Sunday, eight hours per day – includes removal of debris, weeds, leaves, excess trash from garbage cans. • Daily watering of 25 flower baskets, planter stands and occasional watering of 132 new trees.
• Eight hot water steam cleanings April - November, as well as additional spot wash cleaning of sidewalks as needed. • Removed over 87 pieces of bulky and illegal trash (beds, refrigerators, couches, tables, chairs, yard debris, bags of garbage, etc.) from sidewalks and gutters. Worked with 28CLEAN and reported consistent trash abusers. • GMG employees removed 45 flyers and posters on utility poles in the district within 24 hours or less. • Graffiti and stickers removed in 68 locations within 24 hours. Graffiti marks occur primarily during the September/October time period. • Repainted and degreased 26 city garbage cans to remove and prevent future graffiti. • Hired 10B Officers to patrol 24th street during the holiday season from 2 pm to 8 pm, six days a week from Tuesday through Sunday.

District Identity and Streetscape Improvements

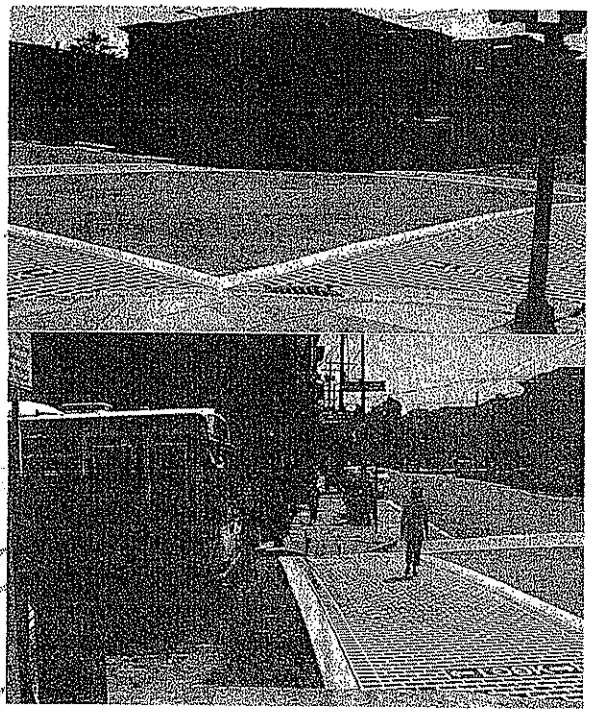
Greening, beautification, public space development, marketing, district promotions & special events

• Installed a highly visible crosswalk at the intersection of Castro and 24th Streets (see before and after photos in this report) with funding from a MOED grant and a direct donation from the parent company, Integrated Paving, which makes the DuraTherm product used at this site. Integrated Paving wanted to find a test site in SF and the NVA lobbied to be that site in order to save money on the product and installation. The final cost of the product and installation to the NVA was $13,400. The total cost of the project was $58,000. • Met with Supervisor Dufty, DPW, & the Great SF Great Streets Plan to begin the process of improving urban design within the district and fulfilling the long term plans established by property owners, merchants and community in the "Noe Valley's 24th Street, an Urban Village" long range plan. • Hired Mara Sieling, an experienced community gardener to maintain the health of 201 trees through watering, mulching, weeding and monthly tree well inspections for pests and soil status. • All trees within the NVA are on a three-year cycle for trimming of branches. • Purchased "gator bags" which allow a slow water drip directly to tree and a 168 gallon water tank for watering new trees. We are in the third year of a drought and the 132 new trees require consistent watering. • Installed decomposed granite in large tree wells to avoid tripping hazards & prevent the pile up of debris in tree wells. • Replaced four trees due to weather, vandalism and disease. We work with Friends of the Urban Forest to keep the cost of re-planting to a minimum. • Working with property owners we lobbied for the removal of three large ficus trees and replanted three 36 box cherry trees.

Before DuraTherm, Castro & 24th Streets



After DuraTherm



Summary of Financial Activity

July 1, 2008 – June 30, 2009

Revenue	
CBD Fees	$232,800
Interest earned	2,638
Grants	31,774
Donations	16,120
Total Revenue	$283,332
Disbursements	
Public Rights of Way: Street Cleaning, Security, Trees & Maintenance, Beautification, Events	$151,189
Streetscape Improvements	47,580
Administration	42,325
Total Disbursements	$241,094
Cash Accounts (as of 6/30/09)	
Sterling Checking	$6,323
Sterling MMA	170,295
Total Cash Accounts	$176,618

Budget Fiscal 2009-2010
July 1, 2009-June 30, 2010

CBD Fees	$234,000
Grants	16,000
Fees/Donations	1,000
Interest	2,200
Total Revenue	$253,200
Disbursements	
Public Rights of Way-Street Cleaning, etc	$155,000
Streetscape	20,000
Administration	45,000
Total Disbursements	$220,000

THANK YOU

Board of Directors – Noe Valley Associatio

Bob Roddick, President • Business & Property Owner

David Eiland, Vice-President
Business Owner & Chairperson, Streetscape Committee

Debra Niemann
Executive Director, Community Representative

Eric Alexanderson, Treasurer
Property Owner, Cleaning Committee Member

Mark Campana
Property Owner

B.J. Droubi
Business & Property Owner, Streetscape Committee

Al Goodwin
Property Owner, Streetscape Committee

Malcolm Haar
Business and Property Owner

Isabelle Salvadori
Community Representative, Streetscape Committee

Carol Yenne
Business & Property Owner • Chairperson, Cleaning Committee

The Noe Valley Association welcomes your questions & feedback.
Noe Valley Association • 1330 Castro Street • SF • CA • 94114
Please direct any questions to info@noevalleyassociation.org or call Debra Niemann at 415-519-0093.
Visit out website for updates about our neighborhood:
www.noevalleyassociation.org.
The Noe Valley Association is a registered 501(c)(3) organization. All contributions are tax-deductible to the extent allowed by law.

Services Provided, cont.

• Petitioned the City of SF to remove three very large and overgrown eucalyptus trees at the City parking lot. The NVA replanted with three 36-inch box cherry trees. • Lobbied in February for the installation of new pedestal/banked news stands which take up less space on the street. The number of news stands decreased from 203 to 155. • Hanging flower baskets are placed at 25 sites and replaced every six months with new baskets. • District Identity includes the upkeep and updating of two new Public Bulletin Boards in the City Parking lot on 24th St.. One is specifically for the CBD to inform the public about NVA activities. • Fiscal Sponsor for the fourth year for the Noe Valley Harvest Festival, a day of celebrating the neighborhood with live music, crafts, children's activities, hayrides and costume contests. • Produced the second annual Easter Egg Hunt at Douglas Park which was attended by over 600 Noe Valley families. • Installed holiday decorations and the hanging of white lights on established trees by creating a working agreement with NV Merchants & Professional group.

Administrative/Corporate Operations

Keeps the NVA running day-to-day and manages all projects outlined above and oversees finances.
NVA won the NEN Award (Neighborhood Empowerment Network) for the best CBD in SF. There are currently 11 CBD's in SF. • Session speaker at California Downtown Association (CDA) Conference of BID's and CBD's in Santa Rosa. • Hired a freelance technical assistant for one day a month for technical assistance on NVA website and administrative work, reports to the ED. • Held Board meetings every three months or as needed. • Attended City of SF department meetings to lobby for city funds and additional services for 24th Street commercial district. • Published annual report to property owners. • Created and maintained website for the NVA: www.noevalleyassociation.org • Revise and update database of property owners for email and regular mailing lists.

NOE VALLEY ASSOCIATION

FINANCIAL STATEMENTS

June 30, 2009
(With Comparative Totals for June 30, 2008)

CROSBY & KANEDA
Certified Public Accountants

Dedicated to Nonprofit Organizations

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Board of Directors
Noe Valley Association
San Francisco, California

We have reviewed the accompanying statements of financial position of Noe Valley Association (a nonprofit organization) as of June 30, 2009, and the related statements of activities, cash flows, and functional expenses for the year then ended, in accordance with Statements of Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of Noe Valley Association.

A review consists principally of inquiries of company personnel and analytical procedures applied to financial data. It is substantially less in scope than an examination in accordance with auditing standards generally accepted in the United States of America, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Crosby & Kaneda
Certified Public Accountants
Oakland, California
October 19, 2009

Noe Valley Association

Statement of Activities
For the Year Ended June 30, 2009
(With Comparative Totals for the Year Ended June 30, 2008)

	Unrestricted	Temporarily Restricted	Totals 2009	Totals 2008
Support and Revenue				
Government fees	$ 269,313	$	$ 269,313	$ 255,045
Donations	48,369	1,500	49,869	33,841
Interest	2,644		2,644	3,470
Total support and revenue	320,326	1,500	321,826	292,356
Expenses				
Program	222,918		222,918	227,741
General and administrative	28,699		28,699	25,065
Fundraising	16,592		16,592	14,755
Total expenses	268,209	-	268,209	267,561
Change in net assets	52,117	1,500	53,617	24,795
Net Assets, beginning of year	142,782	-	142,782	117,987
Unrestricted Net Assets, end of year	$ 194,899	$ 1,500	196,399	$ 142,782

See Accountants' Review Report and
Notes to the Financial Statements

Noe Valley Association

Statement of Functional Expenses
For the Year Ended June 30, 2009
(With Comparative Totals for the Year Ended June 30, 2008)

	Program	General and administrative	Fundraising	Totals 2009	Totals 2008
Salaries	$ 17,739	$ 10,644	$ 7,097	$ 35,480	$ 30,660
Payroll taxes	1,622	974	648	3,244	2,668
Accounting		5,680		5,680	2,935
Supplies	272	163	108	543	959
Postage	63	38	25	126	214
Telephone	165	99	66	330	140
Insurance	1,691	1,015	676	3,382	3,880
Repairs and maintenance	137	83	54	274	1,455
Street maintenance	126,774			126,774	163,672
Streetscape improvement	56,043			56,043	27,164
Holiday expenses				-	2,627
Harvest expenses	14,283	8,570	5,713	28,566	23,784
Advertising and promotions	527	316	211	1,054	557
Bank charges	43	25	16	84	-
Dues and subscriptions	38	22	15	75	-
Parking	30	18	12	60	-
Permit fees	267			267	-
Payroll service	417	250	166	833	756
Miscellaneous	87	52	35	174	398
Security	2,500	750	1,750	5,000	4,992
Taxes and license	20			20	700
Donations	200			200	-
Total Expenses	$ 222,918	$ 28,699	$ 16,592	$ 268,209	$ 267,561

See Accountants' Review Report and
Notes to the Financial Statements

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all cash and other highly liquid investments with maturities of three months or less to be cash equivalents.

Functional Allocation of Expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Prior Year Summarized Information

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2008, from which the summarized information was derived.

NOTE 3: CONCENTRATION

Revenue

For the year ended June 30, 2009 the Organization received 84% of its revenue from a single source. A significant reduction in the level of this support, if this were to occur, may have an effect on the Organization's program and activities.

Grant awards require the fulfillment of certain conditions as set forth in the instrument of grant. Failure to fulfill the conditions could result in the return of the funds to the grantors. The Organization deems this contingency remote since by accepting the grants and their terms, it has accommodated the objectives of the Organization to the provisions of the grants. The Organization's management is of the opinion that the Organization has complied with the terms of all grants.

NOTE 4: TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets of $1,500 were available as of June 30, 2009 to archive photos.