

**REGULAR MEETING OF THE  
FLAGSTAFF DOWNTOWN BUSINESS IMPROVEMENT  
AND REVITALIZATION DISTRICT**

**Tuesday, April 9, 2024 – 10:00 AM**

**The public and the board members may access the online meeting  
via Microsoft Teams Video Conference at:**

[Click Here to Join the Meeting](#)

**A G E N D A**

**NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION**

*Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the FDBIRD Board of Directors and to the general public that, at this meeting, the Board may vote to go into executive session, which will not be open to the public, for legal advice and discussion with the District's attorney on any item listed on the following agenda, pursuant to A.R.S. §38-431.03(A) (3).*

1. Call to Order
2. Roll Call
3. Approval of Minutes from the Special Meeting of January 9, 2024
4. Acceptance and Approval of Monthly Financial Reports
  - A. September 2023
  - B. October 2023
  - C. November 2023
  - D. December 2023
5. Consideration and Approval of FY2023 Reviewed Financial Statement and Annual Report
6. Consideration and Adoption of Resolution No. 2024-01: A resolution of the District Board of the Flagstaff Downtown Business Improvement and Revitalization District amending Section 3 of Resolution No. 2016-01 adopted on April 5, 2016, with regard to authorized signatories
7. Consideration and Approval of Payment of the Semi-Annual Payment to the FDDBA in the amount of \$88,250.
8. Consideration and Approval of payment for the FDBIRD Renewal Pamphlet
9. Review of 2024 Budget Calendar
10. FDDBA Director Report (if applicable)
11. PUBLIC PARTICIPATION

*Public Participation enables the public to address the Board about an item that is not on the agenda. Comments relating to items that are on the agenda will be taken at the time that the item is discussed.*

12. Adjournment

CERTIFICATE OF POSTING OF NOTICE

The undersigned hereby certifies that a copy of the foregoing notice was duly posted at Flagstaff City Hall on \_\_\_\_\_, at \_\_\_\_\_ a.m./p.m. in accordance with the statement filed by the Board with the District Clerk.

\_\_\_\_\_ Stacy Saltzburg, MMC, District Clerk

REGULAR MEETING OF THE  
FLAGSTAFF DOWNTOWN BUSINESS IMPROVEMENT  
AND REVITALIZATION DISTRICT

Tuesday, January 9, 2024 – 10:00 AM

MINUTES

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

*Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the FDBIRD Board of Directors and to the general public that, at this meeting, the Board may vote to go into executive session, which will not be open to the public, for legal advice and discussion with the District's attorney on any item listed on the following agenda, pursuant to A.R.S. §38-431.03(A) (3).*

1. Call to Order

Chairman Dave Stilley called the Regular Meeting of January 9, 2024 to order at 10:00 a.m.

2. Roll Call

Chairman Dave Stilley (virtually)  
Vice Chairman Steve Chatinsky (virtually)  
Member Patricia Ginsberg (virtually)  
Member Jerry McLaughlin (virtually)  
Member John VanLandingham (virtually)

Others present: District Attorney Ashley DeBoard, District Clerk Stacy Saltzburg

Dave Stilley announced that this would be his last year serving on the Board.

3. Approval of Minutes from the Special Meeting of December 4, 2023

**Member Patty Ginsberg moved to approve the minutes of December 4, 2023; seconded by Member Jerry McLaughlin; passed unanimously.**

4. Acceptance and Approval of Monthly Financial Reports

- A. May 2023
- B. June 2023
- C. July 2023
- D. August 2023

Members of the Board noted that they had no concerns with the financials.

**Member Patty Ginsberg moved to approve the Monthly Financial Reports of May, June, July, and August 2023; seconded by Member Steve Chatinsky; passed unanimously.**

5. Discussion regarding District Renewal

Ms. Saltzburg explained that the District renewal had been approved by the City Council and was effective as of January 5, 2024.

6. FDBA Director Report (if applicable)

Ms. Madeksza reported that the Downtown Business Association orchestrated 20 public events between Thanksgiving and New Years. There had been a lot of interest in the events with higher attendance than had been seen before. She noted that the team was working on the programming for 2024 and more information would be coming forward.

She also reported that the District had been renewed for another 10 years. There had been enthusiastic support from the City Council and city staff. The process was a good opportunity to reflect on and take advantage of the good relationship that was in place between the City and Downtown.

Chairman Stilley asked about the level of enthusiasm from the downtown business owners for the renewal of the district. Ms. Madeksza stated that the business owners were not strongly aware of the renewal or the distinction between the District and FDDBA but they received 15 to 20 letters of support for the work being done within the downtown.

She noted that it would likely be her last meeting with the FDBIRD. She provided an update on the recruitment process for the new Executive Director and the transition plan that was in development. She stated that she would continue to work alongside the DBA to get through the transition.

Member Ginsberg asked if they were seeing interest in the position. Ms. Madeksza stated that there were nineteen applicants thus far and they had been recruiting within California, Colorado, and Arizona downtown associations. She believed that there were good applicants and that the process thus far seemed worthwhile and substantive.

## 7. PUBLIC PARTICIPATION

*Public Participation enables the public to address the Board about an item that is not on the agenda. Comments relating to items that are on the agenda will be taken at the time that the item is discussed.*

No members of the public were in attendance.

## 8. Adjournment

The Regular Meeting of the Flagstaff Downtown Business Improvement District of January 9, 2024 adjourned at 11:19 a.m.

---

Chairman

ATTEST:

---

Stacy Saltzburg, District Clerk



# Johanna Klomann, CPA, PLLC

2218 E Cedar Ave, Flagstaff, AZ 86004

ITEM 4

(Office) [928-774-8995](tel:928-774-8995) (Fax) [866-706-1017](tel:866-706-1017) [KlomannCPA.com](http://KlomannCPA.com)

## Flagstaff Downtown Business Improvement

Dear Board of Directors:

I have prepared the accompanying balance sheet of Flagstaff Downtown Business Improvement as of September 30, 2023, as well as a Budget to Actual Income Statement and General Ledger in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. I have not audited, reviewed, or compiled the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with U.S. generally accepted accounting principles.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. generally accepted accounting principles and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Management has elected to omit substantially all the disclosures ordinarily included in financial statements prepared in accordance with U.S. generally accepted accounting principles. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the organization's assets, liabilities, net assets, revenue, and expenses. Accordingly, the financial statements are not designed for those who are not informed about such matters.

Johanna Klomann, CPA  
January 9, 2024

2:09 PM

01/09/24

Accrual Basis

**FDBIRD**  
**Balance Sheet**  
As of September 30, 2023

---

	<u>Sep 30, 23</u>
<b>ASSETS</b>	
Current Assets	
Checking/Savings	
BBVA Checking	12,606.06
BBVA Money Mkt	78,849.06
Total Checking/Savings	<u>91,455.12</u>
Total Current Assets	<u>91,455.12</u>
<b>TOTAL ASSETS</b>	<b><u>91,455.12</u></b>
<b>LIABILITIES &amp; EQUITY</b>	
Equity	
Unrestricted Net Assets	165,732.17
Net Income	-74,277.05
Total Equity	<u>91,455.12</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b><u>91,455.12</u></b>

**FDBIRD**  
**Budget to Actual Income Statement**  
 July through September 2023

	Jul - Sep 23	Budget	\$ Over Budget
<b>Ordinary Income/Expense</b>			
<b>Income</b>			
<b>BID Prop. Tax Assess. May</b>	0.00	77,963.00	-77,963.00
<b>BID Prop. Tax Assess. Nov.</b>	0.00	77,964.00	-77,964.00
<b>Carry Forwards</b>	0.00	113,349.00	-113,349.00
<b>City of Flagstaff</b>	10,256.00	10,584.00	-328.00
<b>Coconino County</b>	5,820.00	25,802.00	-19,982.00
<b>Interest Earned</b>	478.61	50.00	428.61
<b>Total Income</b>	16,554.61	305,712.00	-289,157.39
<b>Expense</b>			
<b>Contingency</b>	0.00	17,500.00	-17,500.00
<b>Management</b>	88,265.66	176,500.00	-88,234.34
<b>Overhead</b>			
<b>Advertising</b>	0.00	6,200.00	-6,200.00
<b>Bank Service Fees</b>	9.00		
<b>Dues &amp; Subscriptions</b>	0.00	450.00	-450.00
<b>Insurance</b>	1,960.00	1,950.00	10.00
<b>Total Overhead</b>	1,969.00	8,600.00	-6,631.00
<b>Professional Services</b>			
<b>Accounting (Audit &amp; Tax)</b>	0.00	3,300.00	-3,300.00
<b>Bookkeeping</b>	201.00	750.00	-549.00
<b>Contract Clerk &amp; Treasurer</b>	0.00	3,200.00	-3,200.00
<b>Legal Counsel</b>	396.00	10,000.00	-9,604.00
<b>Total Professional Services</b>	597.00	17,250.00	-16,653.00
<b>Total Expense</b>	90,831.66	219,850.00	-129,018.34
<b>Net Ordinary Income</b>	-74,277.05	85,862.00	-160,139.05
<b>Net Income</b>	<b>-74,277.05</b>	<b>85,862.00</b>	<b>-160,139.05</b>

**FDBIRD**  
**General Ledger**  
**As of September 30, 2023**

Type	Date	Num	Adj	Name	Memo	Split	Debit	Credit	Balance
<b>BBVA Checking</b>									14,569.06
Check	09/01/2023			BBVA		Bank Service F...		3.00	14,566.06
Check	09/19/2023	ACH		Philadelphia Insurance		Insurance		1,960.00	12,606.06
Total BBVA Checking							0.00	1,963.00	12,606.06
<b>BBVA Money Mkt</b>									77,592.45
Check	09/01/2023				Service Charge	Management		5.22	77,587.23
Deposit	09/15/2023			Coconino County	Deposit	Coconino County	1,103.00		78,690.23
Deposit	09/30/2023				Interest	Interest Earned	158.83		78,849.06
Total BBVA Money Mkt							1,261.83	5.22	78,849.06
<b>Accounts Receivable</b>									0.00
Total Accounts Receivable									0.00
<b>Undeposited Funds</b>									0.00
Total Undeposited Funds									0.00
<b>Furniture and Equipment</b>									0.00
Total Furniture and Equipment									0.00
<b>Marketable Securities</b>									0.00
Total Marketable Securities									0.00
<b>Other Assets</b>									0.00
Total Other Assets									0.00
<b>Security Deposits Asset</b>									0.00
Total Security Deposits Asset									0.00
<b>Accounts Payable</b>									0.00
Total Accounts Payable									0.00
<b>Payroll Liabilities</b>									0.00
Total Payroll Liabilities									0.00
<b>Other Liabilities</b>									0.00
Total Other Liabilities									0.00
<b>Opening Balance Equity</b>									0.00
Total Opening Balance Equity									0.00
<b>Perm. Restricted Net Assets</b>									0.00
Total Perm. Restricted Net Assets									0.00
<b>Temp. Restricted Net Assets</b>									0.00
Total Temp. Restricted Net Assets									0.00
<b>Unrestricted Net Assets</b>									-165,732.17
Total Unrestricted Net Assets									-165,732.17
<b>BID Prop. Tax Assess. May</b>									0.00
Total BID Prop. Tax Assess. May									0.00
<b>BID Prop. Tax Assess. Nov.</b>									0.00
Total BID Prop. Tax Assess. Nov.									0.00
<b>Carry Forwards</b>									0.00
Total Carry Forwards									0.00
<b>City of Flagstaff</b>									-10,256.00
Total City of Flagstaff									-10,256.00
<b>Coconino County</b>									-4,717.00
Deposit	09/15/2023			Coconino County	Deposit	BBVA Money Mkt		1,103.00	-5,820.00
Total Coconino County							0.00	1,103.00	-5,820.00
<b>Events</b>									0.00
Total Events									0.00
<b>Grants</b>									0.00
Total Grants									0.00
<b>Interest Earned</b>									-319.78
Deposit	09/30/2023				Interest	BBVA Money Mkt		158.83	-478.61
Total Interest Earned							0.00	158.83	-478.61
<b>Other Contributions</b>									0.00
<b>City of Flagstaff IGA</b>									0.00
Total City of Flagstaff IGA									0.00
<b>One Time Infrastructure Project</b>									0.00
Total One Time Infrastructure Project									0.00
<b>Other Contributions - Other</b>									0.00
Total Other Contributions - Other									0.00
Total Other Contributions									0.00
<b>Sponsorships</b>									0.00
Total Sponsorships									0.00



**FDBIRD**  
**General Ledger**  
**As of September 30, 2023**

Type	Date	Num	Adj	Name	Memo	Split	Debit	Credit	Balance
<b>Contingency</b>									0.00
Total Contingency									0.00
<b>District Formation Expenses</b>									0.00
<b>Election Expenses</b>									0.00
Total Election Expenses									0.00
<b>One Time Infrastructure Project</b>									0.00
Total One Time Infrastructure Project									0.00
<b>District Formation Expenses - Other</b>									0.00
Total District Formation Expenses - Other									0.00
Total District Formation Expenses									0.00
<b>Management</b>									88,260.44
Check	09/01/2023				Service Charge	BBVA Money Mkt	5.22		88,265.66
Total Management							5.22	0.00	88,265.66
<b>Overhead</b>									6.00
<b>Advertising</b>									0.00
Total Advertising									0.00
<b>Bank Service Fees</b>									6.00
Check	09/01/2023			BBVA		BBVA Checking	3.00		9.00
Total Bank Service Fees							3.00	0.00	9.00
<b>Dues &amp; Subscriptions</b>									0.00
Total Dues & Subscriptions									0.00
<b>Insurance</b>									0.00
Check	09/19/2023	ACH		Philadelphia Insurance		BBVA Checking	1,960.00		1,960.00
Total Insurance							1,960.00	0.00	1,960.00
<b>Overhead - Other</b>									0.00
Total Overhead - Other									0.00
Total Overhead							1,963.00	0.00	1,969.00
<b>Payroll Expenses</b>									0.00
Total Payroll Expenses									0.00
<b>Professional Services</b>									597.00
<b>Accounting (Audit &amp; Tax)</b>									0.00
Total Accounting (Audit & Tax)									0.00
<b>Bookkeeping</b>									201.00
Total Bookkeeping									201.00
<b>Contract Clerk &amp; Treasurer</b>									0.00
Total Contract Clerk & Treasurer									0.00
<b>Legal Counsel</b>									396.00
Total Legal Counsel									396.00
<b>Parking Development</b>									0.00
Total Parking Development									0.00
<b>Professional Services - Other</b>									0.00
Total Professional Services - Other									0.00
Total Professional Services									597.00
<b>Website</b>									0.00
Total Website									0.00
<b>Ask My Accountant</b>									0.00
Total Ask My Accountant									0.00
<b>No acct</b>									0.00
Total no acct									0.00
<b>TOTAL</b>							<b>3,230.05</b>	<b>3,230.05</b>	<b>0.00</b>



# Johanna Klomann, CPA, PLLC

2218 E Cedar Ave, Flagstaff, AZ 86004

(Office) [928-774-8995](tel:928-774-8995) (Fax) [866-706-1017](tel:866-706-1017) [KlomannCPA.com](http://KlomannCPA.com)

## Flagstaff Downtown Business Improvement

Dear Board of Directors:

I have prepared the accompanying balance sheet of Flagstaff Downtown Business Improvement as of October 31, 2023, as well as a Budget to Actual Income Statement and General Ledger in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. I have not audited, reviewed, or compiled the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with U.S. generally accepted accounting principles.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. generally accepted accounting principles and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Management has elected to omit substantially all the disclosures ordinarily included in financial statements prepared in accordance with U.S. generally accepted accounting principles. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the organization's assets, liabilities, net assets, revenue, and expenses. Accordingly, the financial statements are not designed for those who are not informed about such matters.

Johanna Klomann, CPA  
January 9, 2024

2:09 PM

01/09/24

Accrual Basis

**FDBIRD**  
**Balance Sheet**  
As of October 31, 2023

---

	<u>Oct 31, 23</u>
<b>ASSETS</b>	
Current Assets	
Checking/Savings	
BBVA Checking	12,603.06
BBVA Money Mkt	79,009.38
Total Checking/Savings	<u>91,612.44</u>
Total Current Assets	<u>91,612.44</u>
<b>TOTAL ASSETS</b>	<b><u>91,612.44</u></b>
<b>LIABILITIES &amp; EQUITY</b>	
Equity	
Unrestricted Net Assets	165,732.17
Net Income	-74,119.73
Total Equity	<u>91,612.44</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b><u>91,612.44</u></b>

**FDBIRD**  
**Budget to Actual Income Statement**  
 July through October 2023

	Jul - Oct 23	Budget	\$ Over Budget
<b>Ordinary Income/Expense</b>			
<b>Income</b>			
<b>BID Prop. Tax Assess. May</b>	0.00	77,963.00	-77,963.00
<b>BID Prop. Tax Assess. Nov.</b>	0.00	77,964.00	-77,964.00
<b>Carry Forwards</b>	0.00	113,349.00	-113,349.00
<b>City of Flagstaff</b>	10,256.00	10,584.00	-328.00
<b>Coconino County</b>	5,820.00	25,802.00	-19,982.00
<b>Interest Earned</b>	644.15	50.00	594.15
<b>Total Income</b>	16,720.15	305,712.00	-288,991.85
<b>Expense</b>			
<b>Contingency</b>	0.00	17,500.00	-17,500.00
<b>Management</b>	88,270.88	176,500.00	-88,229.12
<b>Overhead</b>			
<b>Advertising</b>	0.00	6,200.00	-6,200.00
<b>Bank Service Fees</b>	12.00		
<b>Dues &amp; Subscriptions</b>	0.00	450.00	-450.00
<b>Insurance</b>	1,960.00	1,950.00	10.00
<b>Total Overhead</b>	1,972.00	8,600.00	-6,628.00
<b>Professional Services</b>			
<b>Accounting (Audit &amp; Tax)</b>	0.00	3,300.00	-3,300.00
<b>Bookkeeping</b>	201.00	750.00	-549.00
<b>Contract Clerk &amp; Treasurer</b>	0.00	3,200.00	-3,200.00
<b>Legal Counsel</b>	396.00	10,000.00	-9,604.00
<b>Total Professional Services</b>	597.00	17,250.00	-16,653.00
<b>Total Expense</b>	90,839.88	219,850.00	-129,010.12
<b>Net Ordinary Income</b>	-74,119.73	85,862.00	-159,981.73
<b>Net Income</b>	<b>-74,119.73</b>	<b>85,862.00</b>	<b>-159,981.73</b>

**FDBIRD**  
**General Ledger**  
**As of October 31, 2023**

Type	Date	Num	Adj	Name	Memo	Split	Debit	Credit	Balance
<b>BBVA Checking</b>									12,606.06
Check	10/02/2023			BBVA		Bank Service F...		3.00	12,603.06
Total BBVA Checking							0.00	3.00	12,603.06
<b>BBVA Money Mkt</b>									78,849.06
Check	10/01/2023				Service Charge	Management		5.22	78,843.84
Deposit	10/31/2023				Interest	Interest Earned	165.54		79,009.38
Total BBVA Money Mkt							165.54	5.22	79,009.38
<b>Accounts Receivable</b>									0.00
Total Accounts Receivable									0.00
<b>Undeposited Funds</b>									0.00
Total Undeposited Funds									0.00
<b>Furniture and Equipment</b>									0.00
Total Furniture and Equipment									0.00
<b>Marketable Securities</b>									0.00
Total Marketable Securities									0.00
<b>Other Assets</b>									0.00
Total Other Assets									0.00
<b>Security Deposits Asset</b>									0.00
Total Security Deposits Asset									0.00
<b>Accounts Payable</b>									0.00
Total Accounts Payable									0.00
<b>Payroll Liabilities</b>									0.00
Total Payroll Liabilities									0.00
<b>Other Liabilities</b>									0.00
Total Other Liabilities									0.00
<b>Opening Balance Equity</b>									0.00
Total Opening Balance Equity									0.00
<b>Perm. Restricted Net Assets</b>									0.00
Total Perm. Restricted Net Assets									0.00
<b>Temp. Restricted Net Assets</b>									0.00
Total Temp. Restricted Net Assets									0.00
<b>Unrestricted Net Assets</b>									-165,732.17
Total Unrestricted Net Assets									-165,732.17
<b>BID Prop. Tax Assess. May</b>									0.00
Total BID Prop. Tax Assess. May									0.00
<b>BID Prop. Tax Assess. Nov.</b>									0.00
Total BID Prop. Tax Assess. Nov.									0.00
<b>Carry Forwards</b>									0.00
Total Carry Forwards									0.00
<b>City of Flagstaff</b>									-10,256.00
Total City of Flagstaff									-10,256.00
<b>Coconino County</b>									-5,820.00
Total Coconino County									-5,820.00
<b>Events</b>									0.00
Total Events									0.00
<b>Grants</b>									0.00
Total Grants									0.00
<b>Interest Earned</b>									-478.61
Deposit	10/31/2023				Interest	BBVA Money Mkt		165.54	-644.15
Total Interest Earned							0.00	165.54	-644.15
<b>Other Contributions</b>									0.00
<b>City of Flagstaff IGA</b>									0.00
Total City of Flagstaff IGA									0.00
<b>One Time Infrastructure Project</b>									0.00
Total One Time Infrastructure Project									0.00
<b>Other Contributions - Other</b>									0.00
Total Other Contributions - Other									0.00
Total Other Contributions									0.00
<b>Sponsorships</b>									0.00
Total Sponsorships									0.00
<b>Contingency</b>									0.00
Total Contingency									0.00

**FDBIRD**  
**General Ledger**  
**As of October 31, 2023**

Type	Date	Num	Adj	Name	Memo	Split	Debit	Credit	Balance
<b>District Formation Expenses</b>									0.00
<b>Election Expenses</b>									0.00
Total Election Expenses									0.00
<b>One Time Infrastructure Project</b>									0.00
Total One Time Infrastructure Project									0.00
<b>District Formation Expenses - Other</b>									0.00
Total District Formation Expenses - Other									0.00
Total District Formation Expenses									0.00
<b>Management</b>									88,265.66
Check	10/01/2023				Service Charge	BBVA Money Mkt	5.22		88,270.88
Total Management							5.22	0.00	88,270.88
<b>Overhead</b>									1,969.00
<b>Advertising</b>									0.00
Total Advertising									0.00
<b>Bank Service Fees</b>									9.00
Check	10/02/2023			BBVA		BBVA Checking	3.00		12.00
Total Bank Service Fees							3.00	0.00	12.00
<b>Dues &amp; Subscriptions</b>									0.00
Total Dues & Subscriptions									0.00
<b>Insurance</b>									1,960.00
Total Insurance									1,960.00
<b>Overhead - Other</b>									0.00
Total Overhead - Other									0.00
Total Overhead							3.00	0.00	1,972.00
<b>Payroll Expenses</b>									0.00
Total Payroll Expenses									0.00
<b>Professional Services</b>									597.00
<b>Accounting (Audit &amp; Tax)</b>									0.00
Total Accounting (Audit & Tax)									0.00
<b>Bookkeeping</b>									201.00
Total Bookkeeping									201.00
<b>Contract Clerk &amp; Treasurer</b>									0.00
Total Contract Clerk & Treasurer									0.00
<b>Legal Counsel</b>									396.00
Total Legal Counsel									396.00
<b>Parking Development</b>									0.00
Total Parking Development									0.00
<b>Professional Services - Other</b>									0.00
Total Professional Services - Other									0.00
Total Professional Services									597.00
<b>Website</b>									0.00
Total Website									0.00
<b>Ask My Accountant</b>									0.00
Total Ask My Accountant									0.00
<b>No acct</b>									0.00
Total no acct									0.00
<b>TOTAL</b>							<u>173.76</u>	<u>173.76</u>	<u>0.00</u>



# Johanna Klomann, CPA, PLLC

2218 E Cedar Ave, Flagstaff, AZ 86004

(Office) [928-774-8995](tel:928-774-8995) (Fax) [866-706-1017](tel:866-706-1017) [KlomannCPA.com](http://KlomannCPA.com)

## Flagstaff Downtown Business Improvement

Dear Board of Directors:

I have prepared the accompanying balance sheet of Flagstaff Downtown Business Improvement as of November 30, 2023, as well as a Budget to Actual Income Statement and General Ledger in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. I have not audited, reviewed, or compiled the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with U.S. generally accepted accounting principles.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. generally accepted accounting principles and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Management has elected to omit substantially all the disclosures ordinarily included in financial statements prepared in accordance with U.S. generally accepted accounting principles. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the organization's assets, liabilities, net assets, revenue, and expenses. Accordingly, the financial statements are not designed for those who are not informed about such matters.

Johanna Klomann, CPA  
January 9, 2024

2:10 PM

01/09/24

Accrual Basis

**FDBIRD**  
**Balance Sheet**  
As of November 30, 2023

---

	<u>Nov 30, 23</u>
<b>ASSETS</b>	
Current Assets	
Checking/Savings	
BBVA Checking	12,600.06
BBVA Money Mkt	135,560.94
Total Checking/Savings	<u>148,161.00</u>
Total Current Assets	<u>148,161.00</u>
<b>TOTAL ASSETS</b>	<b><u>148,161.00</u></b>
<b>LIABILITIES &amp; EQUITY</b>	
Equity	
Unrestricted Net Assets	165,732.17
Net Income	-17,571.17
Total Equity	<u>148,161.00</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b><u>148,161.00</u></b>



**FDBIRD**  
**Budget to Actual Income Statement**  
 July through November 2023

	Jul - Nov 23	Budget	\$ Over Budget
<b>Ordinary Income/Expense</b>			
<b>Income</b>			
<b>BID Prop. Tax Assess. May</b>	0.00	77,963.00	-77,963.00
<b>BID Prop. Tax Assess. Nov.</b>	0.00	77,964.00	-77,964.00
<b>Carry Forwards</b>	0.00	113,349.00	-113,349.00
<b>City of Flagstaff</b>	10,256.00	10,584.00	-328.00
<b>Coconino County</b>	62,155.00	25,802.00	36,353.00
<b>Interest Earned</b>	865.71	50.00	815.71
<b>Total Income</b>	73,276.71	305,712.00	-232,435.29
<b>Expense</b>			
<b>Contingency</b>	0.00	17,500.00	-17,500.00
<b>Management</b>	88,275.88	176,500.00	-88,224.12
<b>Overhead</b>			
<b>Advertising</b>	0.00	6,200.00	-6,200.00
<b>Bank Service Fees</b>	15.00		
<b>Dues &amp; Subscriptions</b>	0.00	450.00	-450.00
<b>Insurance</b>	1,960.00	1,950.00	10.00
<b>Total Overhead</b>	1,975.00	8,600.00	-6,625.00
<b>Professional Services</b>			
<b>Accounting (Audit &amp; Tax)</b>	0.00	3,300.00	-3,300.00
<b>Bookkeeping</b>	201.00	750.00	-549.00
<b>Contract Clerk &amp; Treasurer</b>	0.00	3,200.00	-3,200.00
<b>Legal Counsel</b>	396.00	10,000.00	-9,604.00
<b>Total Professional Services</b>	597.00	17,250.00	-16,653.00
<b>Total Expense</b>	90,847.88	219,850.00	-129,002.12
<b>Net Ordinary Income</b>	-17,571.17	85,862.00	-103,433.17
<b>Net Income</b>	-17,571.17	85,862.00	-103,433.17

**FDBIRD**  
**General Ledger**  
As of November 30, 2023

Type	Date	Num	Adj	Name	Memo	Split	Debit	Credit	Balance
<b>BBVA Checking</b>									12,603.06
Check	11/01/2023			BBVA		Bank Service F...		3.00	12,600.06
Total BBVA Checking							0.00	3.00	12,600.06
<b>BBVA Money Mkt</b>									79,009.38
Check	11/01/2023				Service Charge	Management		5.00	79,004.38
Deposit	11/15/2023			Coconino County	Deposit	Coconino County	56,335.00		135,339.38
Deposit	11/30/2023				Interest	Interest Earned	221.56		135,560.94
Total BBVA Money Mkt							56,556.56	5.00	135,560.94
<b>Accounts Receivable</b>									0.00
Total Accounts Receivable									0.00
<b>Undeposited Funds</b>									0.00
Total Undeposited Funds									0.00
<b>Furniture and Equipment</b>									0.00
Total Furniture and Equipment									0.00
<b>Marketable Securities</b>									0.00
Total Marketable Securities									0.00
<b>Other Assets</b>									0.00
Total Other Assets									0.00
<b>Security Deposits Asset</b>									0.00
Total Security Deposits Asset									0.00
<b>Accounts Payable</b>									0.00
Total Accounts Payable									0.00
<b>Payroll Liabilities</b>									0.00
Total Payroll Liabilities									0.00
<b>Other Liabilities</b>									0.00
Total Other Liabilities									0.00
<b>Opening Balance Equity</b>									0.00
Total Opening Balance Equity									0.00
<b>Perm. Restricted Net Assets</b>									0.00
Total Perm. Restricted Net Assets									0.00
<b>Temp. Restricted Net Assets</b>									0.00
Total Temp. Restricted Net Assets									0.00
<b>Unrestricted Net Assets</b>									-165,732.17
Total Unrestricted Net Assets									-165,732.17
<b>BID Prop. Tax Assess. May</b>									0.00
Total BID Prop. Tax Assess. May									0.00
<b>BID Prop. Tax Assess. Nov.</b>									0.00
Total BID Prop. Tax Assess. Nov.									0.00
<b>Carry Forwards</b>									0.00
Total Carry Forwards									0.00
<b>City of Flagstaff</b>									-10,256.00
Total City of Flagstaff									-10,256.00
<b>Coconino County</b>									-5,820.00
Deposit	11/15/2023			Coconino County	Deposit	BBVA Money Mkt		56,335.00	-62,155.00
Total Coconino County							0.00	56,335.00	-62,155.00
<b>Events</b>									0.00
Total Events									0.00
<b>Grants</b>									0.00
Total Grants									0.00
<b>Interest Earned</b>									-644.15
Deposit	11/30/2023				Interest	BBVA Money Mkt		221.56	-865.71
Total Interest Earned							0.00	221.56	-865.71
<b>Other Contributions</b>									0.00
<b>City of Flagstaff IGA</b>									0.00
Total City of Flagstaff IGA									0.00
<b>One Time Infrastructure Project</b>									0.00
Total One Time Infrastructure Project									0.00
<b>Other Contributions - Other</b>									0.00
Total Other Contributions - Other									0.00
Total Other Contributions									0.00
<b>Sponsorships</b>									0.00
Total Sponsorships									0.00

**FDBIRD**  
**General Ledger**  
 As of November 30, 2023

Type	Date	Num	Adj	Name	Memo	Split	Debit	Credit	Balance
<b>Contingency</b>									0.00
Total Contingency									0.00
<b>District Formation Expenses</b>									0.00
<b>Election Expenses</b>									0.00
Total Election Expenses									0.00
<b>One Time Infrastructure Project</b>									0.00
Total One Time Infrastructure Project									0.00
<b>District Formation Expenses - Other</b>									0.00
Total District Formation Expenses - Other									0.00
Total District Formation Expenses									0.00
<b>Management</b>									88,270.88
Check	11/01/2023				Service Charge	BBVA Money Mkt	5.00		88,275.88
Total Management							5.00	0.00	88,275.88
<b>Overhead</b>									1,972.00
<b>Advertising</b>									0.00
Total Advertising									0.00
<b>Bank Service Fees</b>									12.00
Check	11/01/2023			BBVA		BBVA Checking	3.00		15.00
Total Bank Service Fees							3.00	0.00	15.00
<b>Dues &amp; Subscriptions</b>									0.00
Total Dues & Subscriptions									0.00
<b>Insurance</b>									1,960.00
Total Insurance									1,960.00
<b>Overhead - Other</b>									0.00
Total Overhead - Other									0.00
Total Overhead							3.00	0.00	1,975.00
<b>Payroll Expenses</b>									0.00
Total Payroll Expenses									0.00
<b>Professional Services</b>									597.00
<b>Accounting (Audit &amp; Tax)</b>									0.00
Total Accounting (Audit & Tax)									0.00
<b>Bookkeeping</b>									201.00
Total Bookkeeping									201.00
<b>Contract Clerk &amp; Treasurer</b>									0.00
Total Contract Clerk & Treasurer									0.00
<b>Legal Counsel</b>									396.00
Total Legal Counsel									396.00
<b>Parking Development</b>									0.00
Total Parking Development									0.00
<b>Professional Services - Other</b>									0.00
Total Professional Services - Other									0.00
Total Professional Services									597.00
<b>Website</b>									0.00
Total Website									0.00
<b>Ask My Accountant</b>									0.00
Total Ask My Accountant									0.00
<b>No acct</b>									0.00
Total no acct									0.00
<b>TOTAL</b>							<b>56,564.56</b>	<b>56,564.56</b>	<b>0.00</b>



# Johanna Klomann, CPA, PLLC

2218 E Cedar Ave, Flagstaff, AZ 86004

(Office) [928-774-8995](tel:928-774-8995) (Fax) [866-706-1017](tel:866-706-1017) [KlomannCPA.com](http://KlomannCPA.com)

## Flagstaff Downtown Business Improvement

Dear Board of Directors:

I have prepared the accompanying balance sheet of Flagstaff Downtown Business Improvement as of December 31, 2023, as well as a Budget to Actual Income Statement and General Ledger in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. I have not audited, reviewed, or compiled the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with U.S. generally accepted accounting principles.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. generally accepted accounting principles and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Management has elected to omit substantially all the disclosures ordinarily included in financial statements prepared in accordance with U.S. generally accepted accounting principles. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the organization's assets, liabilities, net assets, revenue, and expenses. Accordingly, the financial statements are not designed for those who are not informed about such matters.

Johanna Klomann, CPA  
January 9, 2024

2:10 PM

01/09/24

Accrual Basis

**FDBIRD**  
**Balance Sheet**  
As of December 31, 2023

---

	<u>Dec 31, 23</u>
<b>ASSETS</b>	
Current Assets	
Checking/Savings	
BBVA Checking	16,913.75
BBVA Money Mkt	62,224.86
Total Checking/Savings	<u>79,138.61</u>
Total Current Assets	<u>79,138.61</u>
<b>TOTAL ASSETS</b>	<b><u>79,138.61</u></b>
<b>LIABILITIES &amp; EQUITY</b>	
Equity	
Unrestricted Net Assets	165,732.17
Net Income	-86,593.56
Total Equity	<u>79,138.61</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b><u>79,138.61</u></b>

**FDBIRD**  
**Budget to Actual Income Statement**  
 July through December 2023

	Jul - Dec 23	Budget	\$ Over Budget
<b>Ordinary Income/Expense</b>			
<b>Income</b>			
<b>BID Prop. Tax Assess. May</b>	0.00	77,963.00	-77,963.00
<b>BID Prop. Tax Assess. Nov.</b>	0.00	77,964.00	-77,964.00
<b>Carry Forwards</b>	0.00	113,349.00	-113,349.00
<b>City of Flagstaff</b>	10,256.00	10,584.00	-328.00
<b>Coconino County</b>	83,553.50	25,802.00	57,751.50
<b>Interest Earned</b>	1,136.35	50.00	1,086.35
<b>Total Income</b>	94,945.85	305,712.00	-210,766.15
<b>Expense</b>			
<b>Contingency</b>	0.00	17,500.00	-17,500.00
<b>Management</b>	176,531.10	176,500.00	31.10
<b>Overhead</b>			
<b>Advertising</b>	1,664.56	6,200.00	-4,535.44
<b>Bank Service Fees</b>	18.00		
<b>Dues &amp; Subscriptions</b>	0.00	450.00	-450.00
<b>Insurance</b>	1,960.00	1,950.00	10.00
<b>Total Overhead</b>	3,642.56	8,600.00	-4,957.44
<b>Professional Services</b>			
<b>Accounting (Audit &amp; Tax)</b>	0.00	3,300.00	-3,300.00
<b>Bookkeeping</b>	201.00	750.00	-549.00
<b>Contract Clerk &amp; Treasurer</b>	768.75	3,200.00	-2,431.25
<b>Legal Counsel</b>	396.00	10,000.00	-9,604.00
<b>Total Professional Services</b>	1,365.75	17,250.00	-15,884.25
<b>Total Expense</b>	181,539.41	219,850.00	-38,310.59
<b>Net Ordinary Income</b>	-86,593.56	85,862.00	-172,455.56
<b>Net Income</b>	<b>-86,593.56</b>	<b>85,862.00</b>	<b>-172,455.56</b>

**FDBIRD**  
**General Ledger**  
**As of December 31, 2023**

Type	Date	Num	Adj	Name	Memo	Split	Debit	Credit	Balance
<b>BBVA Checking</b>									12,600.06
Check	12/01/2023			BBVA		Bank Service F...		3.00	12,597.06
Check	12/08/2023	1156		Stacy Saltzburg		Contract Clerk ...		768.75	11,828.31
Check	12/26/2023			BBVA		BBVA Money Mkt	95,000.00		106,828.31
Check	12/31/2023	1157		Flagstaff DBA		Management		88,250.00	18,578.31
Check	12/31/2023	1158		Flagstaff Publishing		Advertising		1,664.56	16,913.75
Total BBVA Checking							95,000.00	90,686.31	16,913.75
<b>BBVA Money Mkt</b>									135,560.94
Check	12/01/2023				Service Charge	Management		5.22	135,555.72
Deposit	12/15/2023			Coconino County	Deposit	Coconino County	21,398.50		156,954.22
Check	12/26/2023			BBVA		BBVA Checking		95,000.00	61,954.22
Deposit	12/31/2023				Interest	Interest Earned	270.64		62,224.86
Total BBVA Money Mkt							21,669.14	95,005.22	62,224.86
<b>Accounts Receivable</b>									0.00
Total Accounts Receivable									0.00
<b>Undeposited Funds</b>									0.00
Total Undeposited Funds									0.00
<b>Furniture and Equipment</b>									0.00
Total Furniture and Equipment									0.00
<b>Marketable Securities</b>									0.00
Total Marketable Securities									0.00
<b>Other Assets</b>									0.00
Total Other Assets									0.00
<b>Security Deposits Asset</b>									0.00
Total Security Deposits Asset									0.00
<b>Accounts Payable</b>									0.00
Total Accounts Payable									0.00
<b>Payroll Liabilities</b>									0.00
Total Payroll Liabilities									0.00
<b>Other Liabilities</b>									0.00
Total Other Liabilities									0.00
<b>Opening Balance Equity</b>									0.00
Total Opening Balance Equity									0.00
<b>Perm. Restricted Net Assets</b>									0.00
Total Perm. Restricted Net Assets									0.00
<b>Temp. Restricted Net Assets</b>									0.00
Total Temp. Restricted Net Assets									0.00
<b>Unrestricted Net Assets</b>									-165,732.17
Total Unrestricted Net Assets									-165,732.17
<b>BID Prop. Tax Assess. May</b>									0.00
Total BID Prop. Tax Assess. May									0.00
<b>BID Prop. Tax Assess. Nov.</b>									0.00
Total BID Prop. Tax Assess. Nov.									0.00
<b>Carry Forwards</b>									0.00
Total Carry Forwards									0.00
<b>City of Flagstaff</b>									-10,256.00
Total City of Flagstaff									-10,256.00
<b>Coconino County</b>									-62,155.00
Deposit	12/15/2023			Coconino County	Deposit	BBVA Money Mkt		21,398.50	-83,553.50
Total Coconino County							0.00	21,398.50	-83,553.50
<b>Events</b>									0.00
Total Events									0.00
<b>Grants</b>									0.00
Total Grants									0.00
<b>Interest Earned</b>									-865.71
Deposit	12/31/2023				Interest	BBVA Money Mkt		270.64	-1,136.35
Total Interest Earned							0.00	270.64	-1,136.35
<b>Other Contributions</b>									0.00
<b>City of Flagstaff IGA</b>									0.00
Total City of Flagstaff IGA									0.00
<b>One Time Infrastructure Project</b>									0.00
Total One Time Infrastructure Project									0.00
<b>Other Contributions - Other</b>									0.00
Total Other Contributions - Other									0.00
Total Other Contributions									0.00

**FDBIRD**  
**General Ledger**  
**As of December 31, 2023**

Type	Date	Num	Adj	Name	Memo	Split	Debit	Credit	Balance
<b>Sponsorships</b>									0.00
Total Sponsorships									0.00
<b>Contingency</b>									0.00
Total Contingency									0.00
<b>District Formation Expenses</b>									0.00
<b>Election Expenses</b>									0.00
Total Election Expenses									0.00
<b>One Time Infrastructure Project</b>									0.00
Total One Time Infrastructure Project									0.00
<b>District Formation Expenses - Other</b>									0.00
Total District Formation Expenses - Other									0.00
Total District Formation Expenses									0.00
<b>Management</b>									88,275.88
Check	12/01/2023				Service Charge	BBVA Money Mkt	5.22		88,281.10
Check	12/31/2023	1157		Flagstaff DBA		BBVA Checking	88,250.00		176,531.10
Total Management							88,255.22	0.00	176,531.10
<b>Overhead</b>									1,975.00
<b>Advertising</b>									0.00
Check	12/31/2023	1158		Flagstaff Publishing		BBVA Checking	1,664.56		1,664.56
Total Advertising							1,664.56	0.00	1,664.56
<b>Bank Service Fees</b>									15.00
Check	12/01/2023			BBVA		BBVA Checking	3.00		18.00
Total Bank Service Fees							3.00	0.00	18.00
<b>Dues &amp; Subscriptions</b>									0.00
Total Dues & Subscriptions									0.00
<b>Insurance</b>									1,960.00
Total Insurance									1,960.00
<b>Overhead - Other</b>									0.00
Total Overhead - Other									0.00
Total Overhead							1,667.56	0.00	3,642.56
<b>Payroll Expenses</b>									0.00
Total Payroll Expenses									0.00
<b>Professional Services</b>									597.00
<b>Accounting (Audit &amp; Tax)</b>									0.00
Total Accounting (Audit & Tax)									0.00
<b>Bookkeeping</b>									201.00
Total Bookkeeping									201.00
<b>Contract Clerk &amp; Treasurer</b>									0.00
Check	12/08/2023	1156		Stacy Saltzburg		BBVA Checking	768.75		768.75
Total Contract Clerk & Treasurer							768.75	0.00	768.75
<b>Legal Counsel</b>									396.00
Total Legal Counsel									396.00
<b>Parking Development</b>									0.00
Total Parking Development									0.00
<b>Professional Services - Other</b>									0.00
Total Professional Services - Other									0.00
Total Professional Services							768.75	0.00	1,365.75
<b>Website</b>									0.00
Total Website									0.00
<b>Ask My Accountant</b>									0.00
Total Ask My Accountant									0.00
<b>No acct</b>									0.00
Total no acct									0.00
<b>TOTAL</b>							<b>207,360.67</b>	<b>207,360.67</b>	<b>0.00</b>



**FLAGSTAFF DOWNTOWN BUSINESS IMPROVEMENT AND REVITALIZATION DISTRICT**  
**FINANCIAL STATEMENTS**  
**FISCAL YEAR ENDED JUNE 30, 2023**  
**WITH REPORT OF**  
**CERTIFIED PUBLIC ACCOUNTANTS**

**FLAGSTAFF DOWNTOWN BUSINESS IMPROVEMENT AND REVITALIZATION DISTRICT**

**TABLE OF CONTENTS**

	<u>Page</u>
Independent Accountants' Review Report.....	1
Board of Directors .....	3
Management's Discussion and Analysis.....	5
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position .....	11
Statement of Activities.....	12
Fund Financial Statements:	
Balance Sheet - Governmental Funds.....	13
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds .....	14
Notes to the Basic Financial Statements .....	15
Required Supplementary Information	
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual .....	25

*This page is intentionally blank*



**HINTONBURDICK**  
CPAs & ADVISORS

**Independent Accountants' Review Report**

To the Board of Directors of  
Flagstaff Downtown Business Improvement and Revitalization District  
Flagstaff, Arizona

We have reviewed the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Flagstaff Downtown Business Improvement and Revitalization District, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

**Management's Responsibility for the 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.

**Accountants' Responsibility**

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of Flagstaff Downtown Business Improvement and Revitalization District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

**Accountants' Conclusion**

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 accordance with accounting principles generally accepted in the United States of America.

**Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on page 5 through page 8 and the budgetary comparison information presented on page 25 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Such information is the responsibility of management. We have not audited, reviewed, or compiled the required supplementary information, and, accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on it.

### **Change in Accounting Principle**

As described in Note 1 to the financial statements, in fiscal year 2022, the District implemented the provisions of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. Our opinion is not modified with respect to this matter.

*HintonBurdick, PLLC*

HintonBurdick, PLLC

Gilbert, Arizona

February 8, 2024

**BOARD OF DIRECTORS**

<b>Dave Stilley</b>	<b>Chair</b>
<b>Stacy Saltzburg</b>	<b>Clerk</b>
<b>Brandi Suda</b>	<b>Treasurer</b>
<b>Patricia Ginsberg</b>	<b>Member</b>
<b>John Van Landingham</b>	<b>Member</b>
<b>Steve Chatinsky</b>	<b>Member</b>
<b>Jerry McLaughlin</b>	<b>Member</b>

*This page is intentionally blank*

## MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Flagstaff Downtown Business Improvement and Revitalization District, we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2023. Please read it in conjunction with the accompanying basic financial statements.

### FINANCIAL HIGHLIGHTS

- The District was created on February 4, 2014, and voters authorized the District Board to levy an ad valorem tax on June 4, 2014.
- Total assets exceed total liabilities (net position) by \$116,842 at the close of the fiscal year.
- Total net position increased by \$3,794.
- Total revenues from all sources were \$191,809 and the total cost of all District programs was \$188,015.
- Total revenue received in the General Fund was \$5,830 more than the final budget and expenditures were \$31,235 less than the final budget.
- At the end of the current fiscal year, assigned and unassigned fund balances for the General Fund were \$27,467 and \$88,272 respectively, which is a \$9,601 increase in total fund balance from fiscal year 2022's balances of \$27,468 and \$78,670.

### USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The three components of the financial statements are: (1) Government-wide financial statements which include the Statement of Net Position and the Statement of Activities. These statements provide information about the activities of the District as a whole. (2) Fund financial statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the District's operations in more detail than the government-wide statements. (3) Notes to the financial statements.

### Reporting the District as a Whole

#### The Statement of Net Position and the Statement of Activities (Government-wide)

A frequently asked question regarding the District's financial health is whether the year's activities contributed positively to the overall financial well-being. The Statement of Net Position and the Statement of Activities report information about the District as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

The Statement of Net Position presents financial information on all of the District's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods.



The Statement of Net Position and the Statement of Activities, present information about the following:

- Government activities – All of the District’s basic services are considered to be governmental activities. Property taxes and Contributions from other governments finance most of this activity.
- Proprietary activities/Business type activities – The District currently does not have any proprietary activities; all activities are accounted for as governmental activities.

## Reporting the District’s Most Significant Funds

### Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds—not the District as a whole. The District’s major fund uses the accounting approaches as explained below.

- Governmental funds – All of the District’s basic services are reported in governmental funds. Governmental funds focus on how resources flow in and out with the balances remaining at year-end that are available for spending. These funds are reported using an accounting method called the modified accrual accounting method, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the District’s general government operations and the basic services it provides. Government fund information shows whether there are more or fewer financial resources that can be spent in the near future to finance the District’s programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in a reconciliation included with the Basic Financial Statements.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of the District’s financial position. The District’s combined assets and deferred outflows of resources exceed liabilities and deferred inflows of resources by \$116,842 as of June 30, 2023 as shown on the following condensed statement of net position.

	Governmental activities	
	June 30, 2023	June 30, 2022
Current and other assets	\$ 118,507	\$ 114,670
Total assets	<u>118,507</u>	<u>114,670</u>
Other liabilities	1,665	1,622
Total liabilities	<u>1,665</u>	<u>1,622</u>
Net position:		
Unrestricted	116,842	113,048
Total net position	<u>\$ 116,842</u>	<u>\$ 113,048</u>

**Governmental Activities**

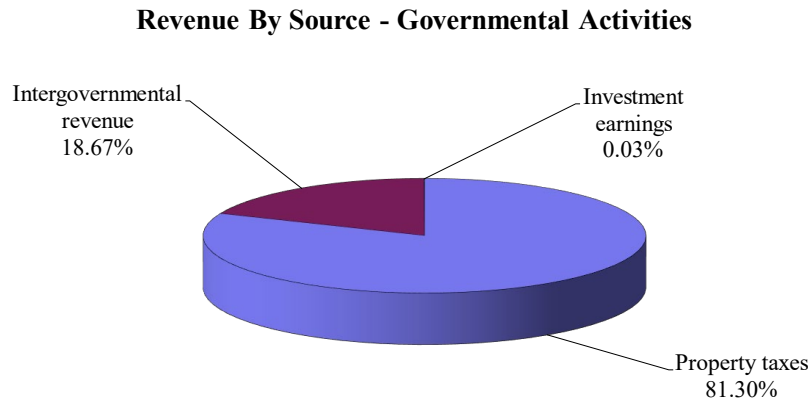
The cost of all Governmental activities this year was \$188,015. General Revenues, including property taxes, intergovernmental revenues, and investment earnings totaled \$191,809.

The District’s programs include: General Government. Each program’s revenues and expenses are presented below.

	Governmental activities	
	June 30, 2023	June 30, 2022
Revenues:		
General revenues:		
Property taxes	\$ 155,942	\$ 155,934
Intergovernmental revenue	35,802	35,103
Unrestricted interest earnings	65	29
Total revenues	<u>191,809</u>	<u>191,066</u>
Expenses:		
General Government	<u>188,015</u>	<u>187,198</u>
Total expenses	<u>188,015</u>	<u>187,198</u>
Increase/(decrease) in net position	3,794	3,868
Net position, beginning	<u>113,048</u>	<u>109,180</u>
Net position, ending	<u><u>\$ 116,842</u></u>	<u><u>\$ 113,048</u></u>

Total resources available during the year to finance governmental operations were \$304,857 consisting of net position at July 1, 2022 of \$113,048 and general revenues of \$191,809. Total Governmental Activities expenses during the year were \$188,015 thus Governmental Net Position increased by \$3,794 to \$116,842.

The following graph provides a breakdown of revenues by source for all government activities.



## **General Fund Budgetary Highlights**

The final appropriations for the General Fund at year-end were \$31,235 more than actual expenditures. Actual revenues were more than the final budget by \$5,830.

## **CAPITAL ASSET AND DEBT ADMINISTRATION**

### **Capital Assets**

The capital assets of the District are those assets that are used in performance of District functions, such as vehicles and equipment. At the end of fiscal year 2023, net capital assets of the government activities totaled \$0. Therefore, no depreciation on capital assets is recognized in the Government-Wide financial statements. (See notes to the financial statements.)

### **Debt**

At year end, the District had no debt.

## **NEXT YEAR'S BUDGET AND ECONOMIC FACTORS**

In considering the District Budget for fiscal year 2024, the District Board and management were cautious as to the growth of revenues and expenditures. Overall General Fund operating expenditures were budgeted so as to contain costs at the same level as fiscal year 2023.

## **CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the government's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Brandi Suda, District Treasurer 6 E. Aspen Ave, Suite 200, Flagstaff, Arizona 86002 or call (715)577-4037.

**BASIC FINANCIAL STATEMENTS**

*This page is intentionally blank*

**FLAGSTAFF DOWNTOWN BUSINESS IMPROVEMENT  
AND REVITALIZATION DISTRICT**  
**Statement of Net Position**  
**June 30, 2023**

---

	<b>Governmental Activities</b>	<b>Total</b>
<b>Assets</b>		
Cash and cash equivalents	\$ 76,885	\$ 76,885
Receivables	41,622	41,622
Total assets	118,507	118,507
<b>Liabilities</b>		
Accounts payable and other current liabilities	1,665	1,665
Total liabilities	1,665	1,665
<b>Net Position</b>		
Unrestricted	116,842	116,842
Total net position	\$ 116,842	\$ 116,842

See accompanying notes and independent accountants' review report.

**FLAGSTAFF DOWNTOWN BUSINESS IMPROVEMENT  
AND REVITALIZATION DISTRICT**  
Statement of Activities  
For the Fiscal Year Ended June 30, 2023

	<b>Governmental Activities</b>
<b>Expenses:</b>	
General Government	\$ 188,015
Total program expenses	188,015
 <b>General revenues</b>	
Property taxes	155,942
Intergovernmental revenue	35,802
Unrestricted interest earnings	65
Total general revenues	191,809
Change in net position	3,794
Net position - beginning	113,048
Net position - ending	\$ 116,842

See accompanying notes and independent accountants' review report.

**FLAGSTAFF DOWNTOWN BUSINESS IMPROVEMENT  
AND REVITALIZATION DISTRICT**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2023**

	General Fund	Total Governmental Funds
<b>Assets</b>		
Cash	\$ 76,885	\$ 76,885
Taxes receivable	5,820	5,820
Intergovernmental receivable	35,802	35,802
Total assets	118,507	118,507
<b>Liabilities</b>		
Accounts payable	1,665	1,665
Total liabilities	1,665	1,665
<b>Deferred inflows of resources</b>		
Unavailable revenue - property taxes	1,103	1,103
Total deferred inflows of resources	1,103	1,103
<b>Fund balances</b>		
Assigned	27,467	27,467
Unassigned	88,272	88,272
Total fund balances	115,739	115,739
Total liabilities, deferred inflows of resources, and fund balances	\$ 118,507	
Amounts reported for governmental activities in the statement of net position are different because:		
Unavailable revenues are not available to pay for current period expenditures and, therefore, are not recognized in the funds		1,103
Net position of governmental activities		\$ 116,842

See accompanying notes and independent accountants' review report.



**FLAGSTAFF DOWNTOWN BUSINESS IMPROVEMENT  
AND REVITALIZATION DISTRICT**  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
Governmental Funds  
For the Fiscal Year Ended June 30, 2023

	General Fund	Total Governmental Funds
<b>Revenues:</b>		
Property taxes	\$ 161,749	\$ 161,749
Intergovernmental revenue	35,802	35,802
Interest income	65	65
Total revenues	197,616	197,616
<b>Expenditures:</b>		
General Government:		
Administrative services	176,500	176,500
Overhead	3,558	3,558
Professional services	7,957	7,957
Total expenditures	188,015	188,015
Excess of revenues over(under) expenditures	9,601	9,601
Net change in fund balances	9,601	9,601
Fund balances - beginning	106,138	106,138
Fund balances - ending	\$ 115,739	\$ 115,739
Net change in fund balances - total governmental funds		9,601
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. This amount represents the change in unavailable revenue - property taxes.		(5,807)
Change in net position of governmental activities		\$ 3,794

See accompanying notes and independent accountants' review report.

**FLAGSTAFF DOWNTOWN BUSINESS IMPROVEMENT  
AND REVITALIZATION DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2023**

---

**Note 1.           Summary of Significant Accounting Policies**

---

**Description of government-wide financial statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other non-exchange transactions, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges to external customers for support. Likewise, when applicable, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

**Reporting entity**

The Flagstaff Downtown Business Improvement and Revitalization District (the District) was organized on February 4, 2014 as a Special Improvement District pursuant to the provisions of Chapter 4 of Title 48 of the Arizona Revised Statutes – Revitalization Districts, which sets forth the legal framework for a business improvement district. The District provides improvements to the Flagstaff downtown area. The main focus of the District is to improve the look and feel of downtown Flagstaff which will result in significant returns on investments for downtown businesses and property values. The District is supported primarily through property taxes collected through Coconino County.

**Basis of presentation – government-wide financial statements**

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds.

**Basis of presentation – fund financial statements**

The fund financial statements provide information about the government's funds. The emphasis of the District's fund financial statements is on major governmental funds, each is displayed in a separate column. Currently the District has only one fund, the General Fund.

The District reports the following major governmental funds:

The **General Fund** is the government's primary operating fund. It accounts for all financial resources of the general government.

The District does not have any other funds.

**FLAGSTAFF DOWNTOWN BUSINESS IMPROVEMENT  
AND REVITALIZATION DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2023**

---

**Note 1. Summary of Significant Accounting Policies (Continued)**

---

**Measurement focus and basis of accounting**

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the government.

**Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance**

***Cash, cash equivalents, and investments***

Cash includes cash on hand and demand deposits with banks. The District has no investments for the year ended June 30, 2023 and has not established a specific investment policy but follows the State of Arizona's statutory requirements.

**FLAGSTAFF DOWNTOWN BUSINESS IMPROVEMENT  
AND REVITALIZATION DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2023**

---

**Note 1.           Summary of Significant Accounting Policies (Continued)**

---

***Inventories and prepaid items***

The costs of governmental fund-type inventories are recorded as expenditures when purchased rather than when consumed. Also, the District's inventory of materials and supplies is deemed to be immaterial; thus, no provision for inventory has been made in these financial statements.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as an expenditure when consumed rather than when purchased.

***Capital assets***

If in the future, the District acquires capital assets, the Capital assets will be reported in the governmental activities column in the government-wide statement of net position. The District has not established a policy specifying a capitalization threshold. It reviews expenditures for assets of significant cost with an estimated useful life of two or more years. In accordance with generally accepted accounting principles, capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Depreciation of capital assets is computed and recorded by the straight-line method. As of June 30, 2023 the District had not made any capital expenditures and no capital assets had been donated to the District. The District does not foresee acquiring any capital assets in the near future.

***Deferred outflows/inflows of resources***

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The government currently has no items which qualify for reporting in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has only one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from one source: property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

**FLAGSTAFF DOWNTOWN BUSINESS IMPROVEMENT  
AND REVITALIZATION DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2023**

---

**Note 1.           Summary of Significant Accounting Policies (Continued)**

---

*Net position flow assumption*

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government’s policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

*Fund balance flow assumptions*

Sometimes the District will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the District’s policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

*Fund balance policies*

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The government itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government’s highest level of decision-making authority. The governing board is the highest level of decision-making authority for the government that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes but do not meet the criteria to be classified as committed. The governing board (board) has by resolution authorized the board chairman to assign fund balance. The board may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year’s appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

**FLAGSTAFF DOWNTOWN BUSINESS IMPROVEMENT  
AND REVITALIZATION DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2023**

---

**Note 1. Summary of Significant Accounting Policies (Continued)**

---

**Revenues and expenditures/expenses**

***Program revenues***

Amounts reported as program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

***Property taxes***

Property tax revenues are recognized as revenues in the year collected or if collected within 60 days thereafter unless they are prepaid.

The County levies real property taxes on or before the third Monday in August, which become due and payable in two equal installments. The first installment is due on the first day of October and becomes delinquent after the first business day of November. The second installment is due on the first day of March of the next year and becomes delinquent after the first business day of May. The County also levies various personal property taxes during the year, which are due the second Monday of the month following receipt of the tax notice and become delinquent 30 days thereafter. A lien against real and personal property assessed attaches on the first day of January preceding the assessment and levy thereof.

**Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

**New Pronouncement**

For the year ended June 30, 2023, the District -adopted the provisions of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, which (1) defines a subscription-based information technology arrangement (SBITA); (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. The District had no SBITAs during the year ended June 30, 2023 that required reporting under GASB statement No. 96.

**FLAGSTAFF DOWNTOWN BUSINESS IMPROVEMENT  
AND REVITALIZATION DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2023**

---

**Note 2. Stewardship, Compliance and Accountability**

---

**Budgets and Budgetary Accounting**

Annual budgets are prepared and adopted by resolution by the Board on or before July 15<sup>th</sup> for the same fiscal year in accordance with State law. Prior to adoption of the budget, a public hearing is conducted to obtain taxpayer input. The budget includes proposed expenditures and the proposed sources of financing for such expenditures and is adopted on a basis consistent with generally accepted accounting principles using the modified accrual basis of accounting. Budgets are adopted and control of budget appropriations are exercised under State law, at the department level. Budgeted amounts may be transferred between line items; however, any revisions that alter the total expenditures of any fund must be approved by the District Board. Budget amendments are required to increase a department's expenditure budgets. Expenditures may not legally exceed budgeted appropriations at the total activity level.

**Encumbrances**

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the District.

---

**Note 3. Deposits and Investments**

---

Deposits of the District at June 30, 2023 consist of the following:

Deposits:	
Cash on deposit with	
PNC Bank	\$ 76,885
Total Deposits	<u>\$ 76,885</u>

**Deposits**

*Custodial Credit Risk*

For deposits this is the risk that in the event of a bank failure, the government's deposit may not be returned to it. The District does not have a formal policy for custodial credit risk. As of June 30, 2023, none of the District's deposit balance of \$165,732 was exposed to custodial credit risk because it was uninsured and uncollateralized.

**FLAGSTAFF DOWNTOWN BUSINESS IMPROVEMENT  
AND REVITALIZATION DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2023**

---

**Note 3.           Deposits and Investments (Continued)**

---

**Investments**

The District follows the State of Arizona statutory requirements for the investment of funds in time certificates of deposit with federally insured depositories, investment in the county treasurer's pool, and other investments as allowed. Eligible Arizona depositories as defined by state statutes are any commercial bank or savings and loan association with its principal place of business in the state of Arizona, which are insured by the federal deposit insurance corporation, or any other insuring instrumentality of the United States. The District had no investments as of June 30, 2023.

**Interest rate risk**

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District's policy for managing its exposure to fair value loss arising from increasing interest rates is to comply with the state statutes which define allowable investments.

**Credit risk**

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The District's policy for reducing exposure to credit risk is to comply with the state statutes which define allowable investments.

---

**Note 4.           Risk Management**

---

The District is exposed to various risks of loss related to torts and theft. The District has assessed its risk and acquired insurance to mitigate these risks. The District had no settlements exceeding insurance coverage during the past fiscal year.

---

**Note 5.           Commitments**

---

**Intergovernmental Agreement**

On May 6, 2014, the District entered into an agreement with the City of Flagstaff Arizona for ongoing day to day District management services, provide and implement comprehensive long range planning for the District, develop and implement the organizational needs of the District, and other management services beginning on May 6, 2014. The agreement called for a one-time fee of \$127,000, which was paid by the City to the District. The agreement will expire on May 6, 2024 unless terminated sooner by either party with 180 days written notice. In December 2023, the agreement was extended with a new expiration date of February 4, 2034.



**FLAGSTAFF DOWNTOWN BUSINESS IMPROVEMENT  
AND REVITALIZATION DISTRICT  
Notes to the Financial Statements  
June 30, 2023**

---

**Note 5.           Commitments (Continued)**

---

**Management Services Agreement**

On September 22, 2014, the District entered into an agreement with the Flagstaff Downtown Business Alliance for management services. The agreement includes budget and finance services, management and operation services, management of public infrastructure improvement, and heritage square plaza recommendations. The agreement is effective from the date of the agreement for five years unless terminated by the District without cause upon 90 days written notice. The agreement was renewed for an additional five year term as of June 25, 2019. The annual fee is \$176,500 to be paid in installments.

**REQUIRED SUPPLEMENTARY INFORMATION**

*This page is intentionally blank*

**FLAGSTAFF DOWNTOWN BUSINESS IMPROVEMENT  
AND REVITALIZATION DISTRICT**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**General Fund – Budget and Actual**  
**For the Fiscal Year Ended June 30, 2023**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Property taxes	\$ 155,934	\$ 155,934	\$ 161,749	\$ 5,815
Intergovernmental revenue	35,802	35,802	35,802	-
Interest income	50	50	65	15
Total revenues	191,786	191,786	197,616	5,830
<b>Expenditures:</b>				
General Government:				
Administrative services	176,500	176,500	176,500	-
Overhead	2,450	2,450	3,558	(1,108)
Professional services	10,300	10,300	7,957	2,343
Contingency	30,000	30,000	-	30,000
Total expenditures	219,250	219,250	188,015	31,235
Excess of revenues over(under) expenditures	(27,464)	(27,464)	9,601	37,065
Net change in fund balances	(27,464)	(27,464)	9,601	37,065
Fund balances - beginning	106,138	106,138	106,138	-
Fund balances - ending	\$ 78,674	\$ 78,674	\$ 115,739	\$ 37,065

See independent accountants' review report.

**COCONINO COUNTY, ARIZONA  
 FLAGSTAFF DOWNTOWN BUSINESS IMPROVEMENT & REVITALIZATION DISTRICT  
 ANNUAL REPORT  
 YEAR ENDED JUNE 30, 2023**

**STREET OR P.O. BOX:** 6 E. Aspen Ave, Suite 200  
**CITY:** FLAGSTAFF, AZ **ZIP CODE:** 86001  
**BUSINESS TELEPHONE:** 928-275-2655  
**COMPLETED BY:** HINTONBURDICK, PLLC  
**TITLE:** CPA

**Part A—Governing Board Members and Officers of the District**

Name	Occupation	Business Telephone
Dave Stilley	Commercial property/business owner	928-275-2655
Jerry McLaughlin	Commercial property/business owner	928-275-2655
Patricia Ginsberg	Commercial property/business owner	928-275-2655
John VanLandingham	Business Owner Old Town Shops	928-275-2655
Steve Chatinsky	Commercial property/business owner	928-275-2655
Stacy Saltzburg	Clerk City of Flagstaff	928-275-2655
Brandi Suda	Finance Director City of Flagstaff	715-577-4037

**COCONINO COUNTY, ARIZONA  
 FLAGSTAFF DOWNTOWN BUSINESS IMPROVEMENT & REVITALIZATION DISTRICT  
 ANNUAL REPORT  
 YEAR ENDED JUNE 30, 2023**

**Part B—Schedule of District Governing Board Regular Meetings**

<b>Date</b>	<b>Time</b>	<b>Location of Meeting</b>	<b>Locations of Public Notices</b>
Second Tuesday of every Quarter (January, April, July, October)	10:00 AM	Virtual Flagstaff City Hall 211 W. Aspen Flagstaff, AZ 86001	Notice Board Flagstaff City Hall 211 W. Aspen Flagstaff, AZ 86001

**Part C—Legal Description of Boundary Changes Occurring During Fiscal Year 2022-23**

NONE

**COCONINO COUNTY, ARIZONA**  
**FLAGSTAFF DOWNTOWN BUSINESS IMPROVEMENT & REVITALIZATION DISTRICT**  
**ANNUAL REPORT**  
**YEAR ENDED JUNE 30, 2023**

**Part D—Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**(for governmental fund types)**

**Basis of Accounting:** Modified Accrual

Cash

	GENERAL FUND	CAPITAL PROJECTS FUNDS	DEBT SERVICE FUNDS	FUNDS
<b>Revenues</b>				
Taxes				
Special assessments				
Licenses and permits				
Intergovernmental:				
Federal				
State				
County				
Charges for services				
Fines and forfeits				
Interest on investments	SEE	N/A	N/A	
Rents	ATTACHED			
Contributions	REVIEW			
Miscellaneous	REPORT			
Other revenues (itemize)				
<b>Total Revenues</b>				
<b>Expenditures</b>				
Salaries and wages				
Employee benefits				
Administration				
Professional services				
Utilities and communications				
Insurance				
Repairs and maintenance				
Interest				
Capital outlay:				
Land				
Buildings				
Improvements other than buildings				
Machinery and equipment				
Construction in progress				
Debt service:				
Principal retirement				
Interest and fiscal charges				
Miscellaneous				
Other expenditures (itemize)				
<b>Total Expenditures</b>				

**COCONINO COUNTY, ARIZONA  
 FLAGSTAFF DOWNTOWN BUSINESS IMPROVEMENT & REVITALIZATION DISTRICT  
 ANNUAL REPORT  
 YEAR ENDED JUNE 30, 2023**

**Part D—(Concl'd)**

	GENERAL FUND	CAPITAL PROJECTS FUNDS	DEBT SERVICE FUNDS	FUNDS
<u>Excess of Revenues Over (Under) Expenditures</u>	_____	_____	_____	_____
<u>Other Financing Sources (Uses)</u>				
Operating transfers-in	SEE	N/A	N/A	_____
Operating transfers-out	ATTACHED	_____	_____	_____
Proceeds from the sale of bonds	REVIEW	_____	_____	_____
Loan proceeds	REPORT	_____	_____	_____
Capital lease agreements	_____	_____	_____	_____
Total other financing sources (uses)	_____	_____	_____	_____
<u>Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses</u>	_____	_____	_____	_____
<u>Beginning Fund Balance—July 1, 2022</u>	_____	_____	_____	_____
<u>Ending Fund Balance—June 30, 2023</u>	=====	=====	=====	=====



**COCONINO COUNTY, ARIZONA  
 FLAGSTAFF DOWNTOWN BUSINESS IMPROVEMENT & REVITALIZATION DISTRICT  
 ANNUAL REPORT  
 YEAR ENDED JUNE 30, 2023**

**Part E—Schedule of Revenues, Expenses, and Changes in Retained Earnings/Fund Equity  
 (for proprietary and similar fund types)**

<b>Basis of Accounting:</b>	<b>Accrual</b> <input type="checkbox"/>	<b>Cash</b> <input type="checkbox"/>		
			<b>ENTERPRISE FUNDS</b>	<b>PENSION TRUST FUNDS</b>
				<b>FUNDS</b>
 <b><u>Operating Revenues</u></b>				
Charges for services				
Employer contributions				
Employee contributions				
Investment income				
Miscellaneous				
<b>Total Operating Revenues</b>			N/A	N/A
 <b><u>Operating Expenses</u></b>				
Salaries and wages				
Employee benefits				
Administration				
Professional services				
Utilities and communications				
Insurance				
Repairs and maintenance				
Landfill closure and postclosure care costs				
Depreciation				
Benefits				
Refunds				
Miscellaneous				
<b>Total Operating Expenses</b>				
<b>Operating income (loss)</b>				
 <b><u>Nonoperating Revenues (Expenses)</u></b>				
Intergovernmental				
Interest revenue				
Interest expense				
Gain (Loss) on disposal of fixed assets				
<b>Total (Net) nonoperating revenues (expenses)</b>				
<b>Income (Loss) before operating transfers</b>				
 <b><u>Operating Transfers-In (Out)</u></b>				
<b>Net income (loss)</b>				
 <b><u>Retained Earnings/Fund Equity—July 1, 2022</u></b>				
<b><u>Increase (Decrease) in Contributed Capital</u></b>				
<b><u>Retained Earnings/Fund Equity—June 30, 2023</u></b>				

**FLAGSTAFF DOWNTOWN BUSINESS IMPROVEMENT  
AND REVITALIZATION DISTRICT OF FLAGSTAFF, ARIZONA**

RESOLUTION NO. 2024-01

A RESOLUTION OF THE DISTRICT BOARD OF THE FLAGSTAFF DOWNTOWN BUSINESS IMPROVEMENT AND REVITALIZATION DISTRICT OF FLAGSTAFF AMENDING SECTION 3 OF RESOLUTION NO. 2016-01 ADOPTED ON APRIL 5, 2016, WITH REGARD TO AUTHORIZED SIGNATORIES

**WHEREAS**, on May 6, 2014, the District adopted Resolution 2014-04 authorizing procurement limits, selection of a banking institution, signatories on District bank accounts, and approving the Intergovernmental Agreement for Services with the City of Flagstaff; and

**WHEREAS**, on February 3, 2015, the District adopted Resolution 2015-03 amending Section 3 of Resolution 2014-04 to change signatories; and

**WHEREAS**, the District desires to amend Section 3 of said resolution with regard to signatories.

**NOW, THEREFORE, BE IT RESOLVED BY THE DISTRICT BOARD OF THE FLAGSTAFF DOWNTOWN BUSINESS IMPROVEMENT AND REVITALIZATION DISTRICT OF FLAGSTAFF, ARIZONA AS FOLLOWS:**

3. Authorized Signatories on the District's Bank Accounts. The authorized signatories for the District are as follows:

David Stilley, Chairman

Jerome McLaughlin, Vice Chairman

John VanLandingham, Member

Each of the Directors above is authorized to sign checks drawn upon the Flagstaff Downtown Business Improvement and Revitalization District account at the bank selected by the Chairman of the Board in an amount up to \$5,000. For any check in excess of \$5,000, one of the authorized signatures will be required, as well as that of the District Treasurer, Brandi Suda.

Any check or purchase in excess of \$10,000 will require prior approval of the District Board at a duly noticed meeting of the Board.

PASSED by the District Board of the Flagstaff Downtown Business Improvement and Revitalization District this 9th day of April, 2024.

\_\_\_\_\_  
Chairman

ATTEST:

\_\_\_\_\_  
District Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Attorney for the District

Flagstaff Downtown Business Improvement & Revitalization District  
FY2025 Budget Calendar - Potential Dates

ITEM 9

4/9/2024	Discussion on the FY2024 Budget Calendar
5/21/2024	Discussion on the FY2024 Budget
5/21/2024	Resolution - Tentative Budget Adoption
5/23/2024	Tentative Budget posting - Website & Newspaper
5/30/2024	Tentative Budget posting - Newspaper
6/4/2024	Public Hearing on Budget & Property Taxes
6/4/2024	Resolution - Final Budget Adoption (Special meeting)
6/18/2024	Resolution - Property Tax Assessment