

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

**Tuesday, May 12, 2015 – 10:00 AM
City Council Office - Administration – Second Floor
Flagstaff City Hall – 211 West Aspen, Flagstaff, Arizona**

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

Chairman John VanLandingham
Vice Chairman David Stilley
Director Antoinette Beiser
Director Tim Kinney
Director Karen Kinne-Herman
3. Approval of Minutes of the Board meeting of April 7, 2015.
4. Review/approval of March 2015 financial reports.
5. Consideration of Public Infrastructure Project requirement.
6. Update on Management Contract with Flagstaff Downtown Business Alliance.
7. Consideration of Resolution No. 2015-04 - A RESOLUTION OF THE DISTRICT BOARD OF THE FLAGSTAFF DOWNTOWN BUSINESS IMPROVEMENT AND REVITALIZATION DISTRICT (DISTRICT) ADOPTING THE BUDGET AND FIXING THE TAX LEVY, ADOPTING THE TENTATIVE ESTIMATES OF THE AMOUNTS REQUIRED FOR THE PUBLIC EXPENSE FOR THE DISTRICT FOR THE FISCAL YEAR 2015-2016; ADOPTING A TENTATIVE BUDGET; SETTING FORTH THE RECEIPTS AND EXPENDITURES; THE AMOUNT PROPOSED TO BE RAISED BY DIRECT PROPERTY TAXATION; AND GIVING NOTICE OF THE TIME FOR HEARING TAXPAYERS
8. Planning for Future Meetings, Calendar, Communications.
9. PUBLIC PARTICIATION

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.
10. Report of Board of Directors.
11. 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.

Dated this ____ day of _____, 2015.

Elizabeth A. Burke, MMC, District Clerk

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

**Tuesday, April 7, 2015 – 10:00 AM
City Council Office - Administration – Second Floor
Flagstaff City Hall – 211 West Aspen, Flagstaff, Arizona**

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 VanLandingham called the meeting to order at 10:09 a.m.

2. Roll Call

Present:

Absent:

Chairman John VanLandingham
Vice Chairman David Stilley
Director Antoinette Beiser
Director Tim Kinney (arrived at 10:14 a.m.)
Director Karen Kinne-Herman

None

Others present: District Attorney Dana Kjellgren; District Treasurer Brandi Suda; District Clerk Elizabeth Burke; FDBA Director Terry Meksza; Karl Eberhard; Mark Lamberson.

3. Approval of Minutes of the Board meeting of February 3, 2015.

Director Kinne-Herman moved to approve the minutes of February 3, 2015; seconded; passed unanimously.

4. Review/approval of January and February 2015 financial reports.

Vice Chairman Stilley moved to approve the January and February 2015 financial reports; seconded; passed unanimously.

5. Review/approval of deliverables in IGA with the City of Flagstaff.

Board members reviewed the calendar of deliverables and discussed what had been done to date. It was noted that the District Clerk and District Treasurer needed to prepare handbooks for their respective positions.

Chairman VanLandingham noted that Mr. Eberhard had gotten the District on the Council agenda for a meeting the prior night to give an annual report, which was included in the deliverables.

Vice Chairman Stilley moved to approve the deliverables in the IGA with the City of Flagstaff; seconded; passed unanimously.

6. Review/approval of deliverables in IGA with the Flagstaff Downtown Business Alliance.

Chairman VanLandingham briefly reviewed the history of the relationship with the Downtown Business Alliance, noting that they had recently hired their Director, Terry Meksza.

Discussion was held on the ability for the District Board members to receive updates from the DBA. Ms. Meksza noted that she e-mails the FDBA Board members and could easily add the District Board members to receive those updates as well. Mr. Eberhard requested that he be added to the listing as well.

Ms. Meksza said that she has been in her position for two months now and has spent a lot of time getting out and talking with property owners and businesses located within the District. Additionally, they have secured office space and have prepared an internal controls document and employee handbook that was submitted to the DBA Board for review.

With regard to advocacy, Ms. Meksza said that she is beginning to build a good outreach e-mail list. She said that it has taken a lot of time as no one list had everything and some of them were two to three years old. Once that is finalized they will all see a lot of communication, including updates, notices, schedules, etc.

Vice Chairman Stilley asked about a logo for the District. Ms. Meksza said that they have engaged someone who will be meeting with the community members to help get buy-in from all of the members, with an end result being a logo with a greater reach.

Ms. Meksza said that she has been working with City staff on a new Special Events packet and all of the District's input has been incorporated into the new packet. Additionally, the District will be part of that application process. Mr. Eberhard said that in the past the applications were being sent to him and then he would forward them to the District and DBA. He has now asked that he be taken out of that process and they will be directed to the DBA itself.

Ms. Meksza said that part of the criteria for street closures has been that there must be an attempt to drive visitors into the businesses. Director Beiser asked if that would be the responsibility of the person with the event or the District. Ms. Meksza. replied that the

language requires that the producer of the event reach out, working with the District, on outreach. She said that an example of this is they have developed a passport for the upcoming Earth Day event that takes them into participating businesses where they can receive discounts and/or free samples. And, she said, if they visit 10 out of the 35 participating businesses, they enter to win a prize.

Ms. Meksza said that another example is the construction project planned for Leroux. They have been working with City staff to write into the construction contract that the contractor has to work with the District in outreach efforts to make sure all of the affected businesses are engaged.

Further discussion was held on communication efforts and it was noted that they could make more use of the District's website. Ms. Meksza said that most of the businesses she has met with communicate with Facebook, so they will be looking to use that and other social media methods.

Ms. Meksza said that she has been working on developing a scope of work which she will share at the next meeting that will include the scope of work and timelines, to give clear direction.

Chairman VanLandingham said that another issue that Council has been looking at is parking on the southside and Ms. Meksza has voiced her interest to be at the table for those discussions, which will be very valuable.

Mr. Lamberson left the meeting at this time.

Director Kinne-Herman moved to approve the deliverables in the IGA with the Flagstaff Downtown Business Alliance; seconded; passed unanimously.

7. Consideration of Public Infrastructure Project requirement.

General discussion began on the requirements of the Public Infrastructure Project. Chairman VanLandingham said that the threshold is \$15,000 and they are required to secure a contractor within 24 months after the election.

Mr. Eberhard explained the basic concept of restriping in the downtown area, by making Birch and Cherry one-way with one lane, allowing the other lane to be used for additional parking. Birch would be westbound and Cherry would be eastbound. He said that the City's traffic staff was not very supportive of this idea. He thought that perhaps it needed to be elevated to more of a political issue. He said that they have not yet discussed this concept with the Police Department or Fire Department.

Director Kinne-Herman said that when she and Ms. Meksza walked the area they saw existing lots not used or underused. She suggested that they meet with the owners of

those various lots and build a relationship to allow for their use during certain times and have the District provide for signage.

Mr. Eberhard said that he has included in this year's budget repainting everything downtown that is green. Chairman VanLandingham said that the SID paid for that in the beginning but did not budget for maintenance, so he was glad to hear it was going to be addressed.

Ms. Meksza asked if the \$15,000 included fabrication and installation of the signs as well. She said that if it did, it would not take long to use up that money. Mr. Eberhard noted that the City has a sign shop that can make the signs pretty inexpensively.

Discussion was held on the benefit of having a branded signage program, with a master sign, brochure, app on the web, etc.

Further discussion was held on the possibility of using some of the City's budget funding for painting for other uses. Mr. Eberhard said that he would need to meet with Legal to discuss that issue further and could report back at the next meeting.

Ms. Kjellgren asked if there had been discussion to restricting deliveries to day or night. Mr. Eberhard said that they have talked about that before, but one of the issues is with the trucks coming up from Phoenix. He said that there was also a discussion of having a downtown loading dock to be used for all deliveries and then use a gator for individual deliveries. He said that he did not think the City was prepared to do a prohibition on deliveries without a formal request from the District.

Chairman VanLandingham said that he was hearing they should look further into signage, adding master signage, and repainting existing parking signs. He said that would meet the threshold requirement and addresses one of the parking issues. Mr. Eberhard noted that he would get with Legal about the possibility of funding. He said that the tree wells need to be done; it is not negotiable, but he will look into the other further.

Brief discussion was held on the ability to have the City contract with the DBA to do the repainting downtown. It was noted that it would still require that a procurement process take place.

After further discussion, Ms. Meksza was directed to come back with proposals for a project that would meet the criteria, to be paid for by securing funding from the City or other sources.

Vice Chairman Stilley left the meeting at this time (11:28 a.m.)

Members agreed to hold a Special Meeting on May 12, 2015, to further consider a project and also address the tentative budget, and then hold a Special Meeting of May 26, 2015, for final adoption of the budget.

8. Discussion of FY2016 District Budget.

Ms. Suda reviewed the draft budget presented, noting that the \$100,000 amount shown was a placeholder. It could be changed higher or lower, but it has to be in the budget in order to expend it during the year. After a brief discussion, members agreed that the \$100,000 amount was a reasonable amount to be included.

Director Kinne-Herman asked that staff provide an update on the assessments to date.

9. PUBLIC PARTICIATION

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.

None

10. Report of Board of Directors.

11. Adjournment

The meeting of April 7, 2015, adjourned at 11:42 a.m.

John VanLandingham, Chairman

ATTEST:

Elizabeth A. Burke, District Clerk

Johanna Klomann, CPA, PLLC

ITEM #4

419 W Aspen Ave, Flagstaff, AZ 86001

Phone: (928) 774-8995

Fax (866) 706-1017

johannak.klomanncpa@gmail.com

Flagstaff Downtown Business Improvement
Flagstaff, AZ

Dear Board of Directors:

ACCOUNTANTS COMPILATION REPORT

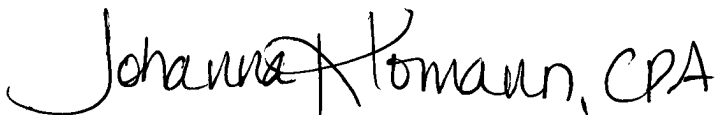
I have compiled the accompanying balance sheet for Flagstaff Downtown Business Improvement (a not for profit organization) as of March 31, 2015, the related budget to actual income statement on the accrual basis of accounting, and the related general ledger in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. I have not audited or reviewed 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.

My responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all of 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.

I am not independent with respect to Flagstaff Downtown Business Improvement as of and for the month ended March 31, 2015, because I performed certain accounting services that impaired my independence.



Johanna Klomann, CPA

May 5, 2014

FDBIRD
Balance Sheet
As of March 31, 2015

	<u>Mar 31, 15</u>
ASSETS	
Current Assets	
Checking/Savings	
BBVA Checking	23,643.24
BBVA Money Mkt	<u>39,587.68</u>
Total Checking/Savings	<u>63,230.92</u>
Total Current Assets	<u>63,230.92</u>
TOTAL ASSETS	<u>63,230.92</u>
LIABILITIES & EQUITY	
Equity	
Net Income	<u>63,230.92</u>
Total Equity	<u>63,230.92</u>
TOTAL LIABILITIES & EQUITY	<u>63,230.92</u>

FDBIRD
Profit & Loss Budget vs. Actual
 July 2014 through March 2015

	Jul '14 - Mar 15	Budget	\$ Over Budget
Ordinary Income/Expense			
Income			
BID Prop. Tax Assess. May	0.00	63,749.00	-63,749.00
BID Prop. Tax Assess. Nov.	75,758.46	63,749.00	12,009.46
Carry Forwards	0.00	0.00	0.00
City of Flagstaff	12,373.00	11,870.00	503.00
Coconino County	29,803.00	29,132.00	671.00
Interest Earned	699.68		
Other Contributions			
City of Flagstaff IGA	127,000.00	127,000.00	0.00
One Time Infrastructure Project	0.00	0.00	0.00
Total Other Contributions	127,000.00	127,000.00	0.00
Total Income	245,634.14	295,500.00	-49,865.86
Expense			
Accounting (Audit & Tax)	0.00	9,000.00	-9,000.00
Bookkeeping	613.13	1,800.00	-1,186.87
Legal Fees	20,031.45	18,700.00	1,331.45
Management Expenses	161,758.64	218,900.00	-57,141.36
Website	0.00	9,300.00	-9,300.00
Total Expense	182,403.22	257,700.00	-75,296.78
Net Ordinary Income	63,230.92	37,800.00	25,430.92
Net Income	<u>63,230.92</u>	<u>37,800.00</u>	<u>25,430.92</u>

FDBIRD
General Ledger
 As of March 31, 2015

Type	Date	Num	Adj	Name	Memo	Split	Debit	Credit	Balance
BBVA Checking									26,401.44
Deposit	03/13/2015				Deposit	Coconino County	915.00		27,316.44
Check	03/16/2015	1013		Kjellgren & Speed		Legal Fees		2,800.00	24,516.44
Check	03/17/2015	1016		Johanna Klomann C...		Bookkeeping		63.13	24,453.31
Check	03/20/2015	1015		City of Flagstaff		Management E...		217.57	24,235.74
Check	03/20/2015	1014		Elizabeth Burke		Management E...		112.50	24,123.24
Check	03/24/2015	1017		Internations DT Asso...		Management E...		480.00	23,643.24
Total BBVA Checking							915.00	3,673.20	23,643.24
BBVA Money Mkt									39,552.41
Deposit	03/02/2015				Interest	Interest Earned	35.27		39,587.68
Total BBVA Money Mkt							35.27	0.00	39,587.68
Furniture and Equipment									0.00
Total Furniture and Equipment									0.00
Marketable Securities									0.00
Total Marketable Securities									0.00
Other Assets									0.00
Total Other Assets									0.00
Security Deposits Asset									0.00
Total Security Deposits Asset									0.00
Payroll Liabilities									0.00
Total Payroll Liabilities									0.00
Other Liabilities									0.00
Total Other Liabilities									0.00
Opening Balance Equity									0.00
Total Opening Balance Equity									0.00
Perm. Restricted Net Assets									0.00
Total Perm. Restricted Net Assets									0.00
Temp. Restricted Net Assets									0.00
Total Temp. Restricted Net Assets									0.00
Unrestricted Net Assets									0.00
Total Unrestricted Net Assets									0.00
BID Prop. Tax Assess. May									0.00
Total BID Prop. Tax Assess. May									0.00
BID Prop. Tax Assess. Nov.									-75,758.46
Total BID Prop. Tax Assess. Nov.									-75,758.46
Carry Forwards									0.00
Total Carry Forwards									0.00
City of Flagstaff									-12,373.00
Total City of Flagstaff									-12,373.00
Coconino County									-28,888.00
Deposit	03/13/2015				February	BBVA Checking		915.00	-29,803.00
Total Coconino County							0.00	915.00	-29,803.00
Events									0.00
Total Events									0.00
Grants									0.00
Total Grants									0.00
Interest Earned									-664.41
Deposit	03/02/2015				Interest	BBVA Money Mkt		35.27	-699.68
Total Interest Earned							0.00	35.27	-699.68
Other Contributions									-127,000.00
City of Flagstaff IGA									-127,000.00
Total City of Flagstaff IGA									-127,000.00
One Time Infrastructure Project									0.00
Total One Time Infrastructure Project									0.00
Other Contributions - Other									0.00
Total Other Contributions - Other									0.00
Total Other Contributions									-127,000.00
Sponsorships									0.00
Total Sponsorships									0.00
Accounting (Audit & Tax)									0.00
Total Accounting (Audit & Tax)									0.00
Bookkeeping									550.00
Check	03/17/2015	1016		Johanna Klomann C...		BBVA Checking	63.13		613.13

3:46 PM

05/05/15

Accrual Basis

FDBIRD
General Ledger
As of March 31, 2015

Type	Date	Num	Adj	Name	Memo	Split	Debit	Credit	Balance
Total Bookkeeping							63.13	0.00	613.13
Legal Fees									17,231.45
Check	03/16/2015	1013		Kjellgren & Speed		BBVA Checking	2,800.00		20,031.45
Total Legal Fees							2,800.00	0.00	20,031.45
Management Expenses									160,948.57
Check	03/20/2015	1015		City of Flagstaff	Reimburseme...	BBVA Checking	217.57		161,166.14
Check	03/20/2015	1014		Elizabeth Burke		BBVA Checking	112.50		161,278.64
Check	03/24/2015	1017		Internations DT Asso...	Dues	BBVA Checking	480.00		161,758.64
Total Management Expenses							810.07	0.00	161,758.64
Payroll Expenses									0.00
Total Payroll Expenses									0.00
Website									0.00
Total Website									0.00
Ask My Accountant									0.00
Total Ask My Accountant									0.00
No acct									0.00
Total no acct									0.00
TOTAL							4,623.47	4,623.47	0.00

**FLAGSTAFF DOWNTOWN BUSINESS IMPROVEMENT AND REVITALIZATION
DISTRICT**

TO: DISTRICT BOARD
FROM: BRANDI SUDA, TREASURER
SUBJECT: TENTATIVE BUDGET ADOPTION
DATE: MAY 12, 2015

The District Board is required to adopt a budget annually. There are two stages to the budget adoption. The first is the tentative adoption which sets the appropriation limits. By setting the appropriation limits, the Board cannot increase those limits at final adoption without starting the process over. Once the tentative budget is adopted, the District must:

- Post the proposed budget legal schedules for two consecutive weeks in the local paper
- Post the legal schedules on the District website
- Provide a location for the public to view the proposed budget

Attached is the entire packet proposed to have available for public viewing.

FLAGSTAFF DOWNTOWN BUSINESS
IMPROVEMENT AND REVITALIZATION
DISTRICT BUDGET

FY2015-2016
TENTATIVE BUDGET

FINAL BUDGET ADOPTION TO OCCUR AT
CITY HALL, STAFF CONFERENCE ROOM
211 W. ASPEN AVENUE, FLAGSTAFF, AZ 86001

MAY 26, 2015 10:00 AM

FLAGSTAFF DOWNTOWN BUSINESS IMPROVEMENT & REVITALIZATION DISTRICT

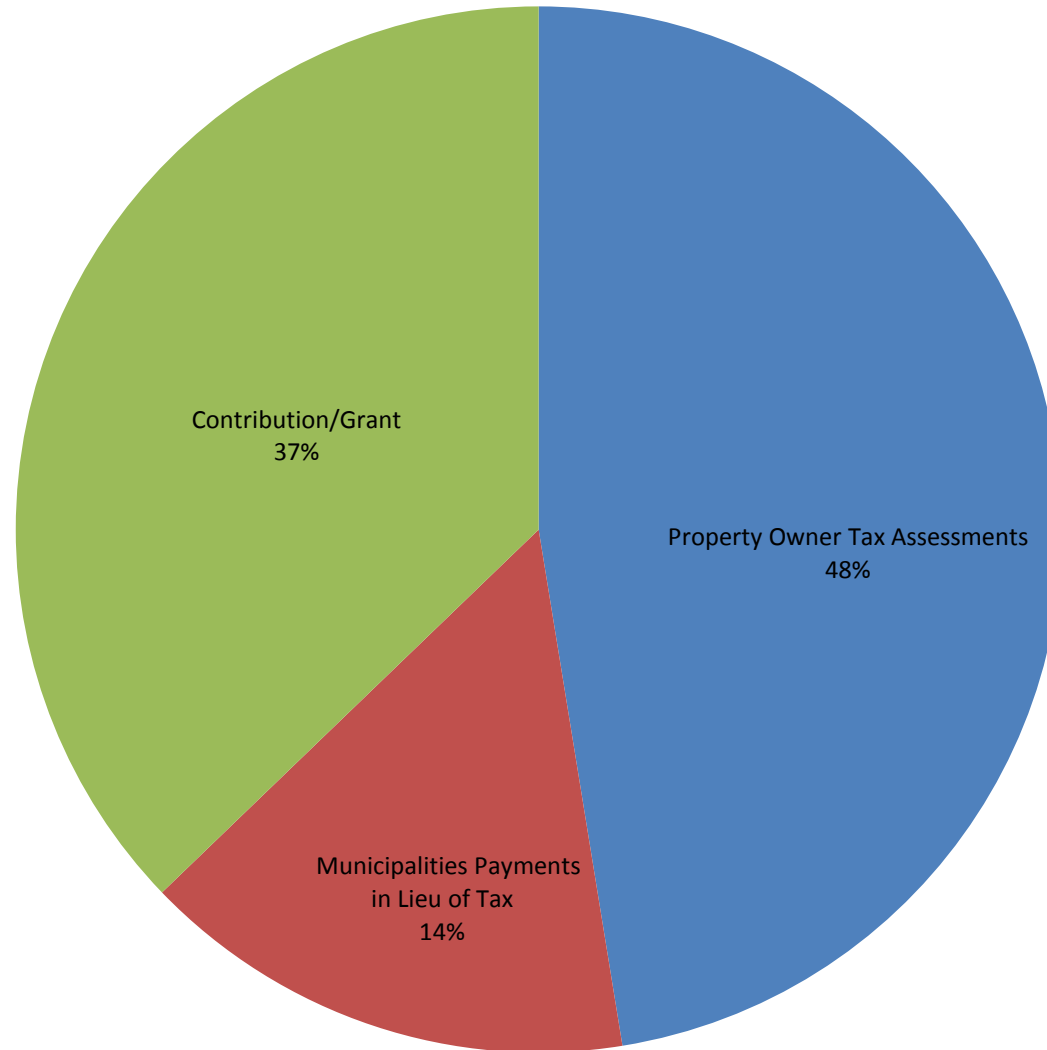
FISCAL YEAR 2016 BUDGET 07/01/2015 - 06/30/2016

	FY2015 Budget	FY2015 Year End Estimate	FY2016 Budget	
REVENUE BUDGET				Notes
Property Owner Tax Assessments	\$ 127,498	\$ 127,498	\$ 127,498	a
Municipalities Payments in Lieu of Tax	41,002	41,261	41,261	b
Contribution/Grant	127,000	127,000	100,000	c
Interest Income	-	664	-	
Carryforward (Fund Balance)			112,163	
Total Income	\$ 295,500	\$ 296,423	\$ 380,922	
EXPENDITURE BUDGET				Notes
Management & Administration	\$ 109,500	\$ 158,500	\$ 158,500	d
Parking Development	25,000	-	25,000	e
Professional Services	24,500	13,540	13,200	f
Marketing & Communication	22,500	500	-	g
Enhanced Downtown Services	25,550	-	-	h
Overhead	15,650	2,025	6,150	i
One Time District Formation Related Expenses	35,000	9,695		j
One Time Infrastructure Project	-	-	100,000	j
Total Expenditures	\$ 257,700	\$ 184,260	\$ 302,850	
Balance	\$ 37,800	\$ 112,163	\$ 78,072	

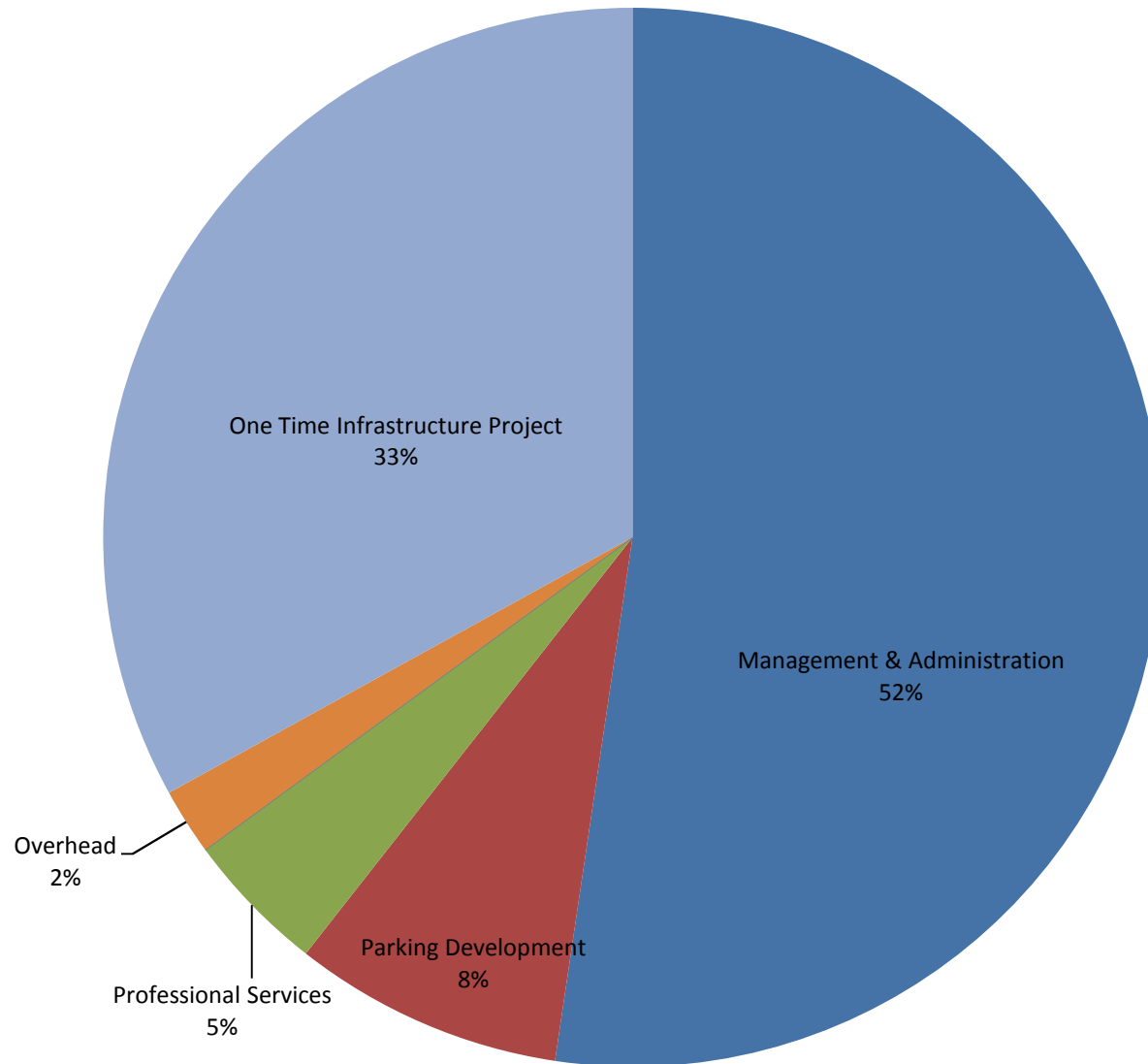
NOTES

- a) Annual property tax assessment revenues
- b) Annual in lieu of tax assessments from City of Flagstaff and Coconino County
- c) Contribution from another government or grant
- d) Management Service contract
- e) To address supply and management of parking within district
- f) Monthly bookkeeping, clerk & treasurer, required annual accounting audit, legal counsel
- g) Covered by the Management Service contract
- h) Covered by the Management Service contract
- i) Professional dues, insurance, bank fees, etc
- h) One time costs (elections, legal etc)
- k) As required by the IGA with the City

**FLAGSTAFF DOWNTOWN BUSINESS IMPROVEMENT & REVITALIZATION DISTRICT
TENTATIVE BUDGET (YEAR #2)
FISCAL YEAR 2015 -2016
REVENUE**



**FLAGSTAFF DOWNTOWN BUSINESS IMPROVEMENT & REVITALIZATION DISTRICT
TENTATIVE BUDGET (YEAR #2)
FISCAL YEAR 2015 -2016
EXPENDITURES**



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

RESOLUTION NO. 2015-04

A RESOLUTION OF THE DISTRICT BOARD OF THE FLAGSTAFF DOWNTOWN BUSINESS IMPROVEMENT AND REVITALIZATION DISTRICT (DISTRICT) ADOPTING THE BUDGET AND FIXING THE TAX LEVY, ADOPTING THE TENTATIVE ESTIMATES OF THE AMOUNTS REQUIRED FOR THE PUBLIC EXPENSE FOR THE DISTRICT FOR THE FISCAL YEAR 2015-2016; ADOPTING A TENTATIVE BUDGET; SETTING FORTH THE RECEIPTS AND EXPENDITURES; THE AMOUNT PROPOSED TO BE RAISED BY DIRECT PROPERTY TAXATION; AND GIVING NOTICE OF THE TIME FOR HEARING TAXPAYERS

WHEREAS, on February 4, 2014, the City Council of the City of Flagstaff, Arizona (the "City"), adopted a Resolution ordering and declaring the formation of the Flagstaff Downtown Business Improvement and Revitalization District (the "District") in the City of Flagstaff, Arizona; and

WHEREAS, the District is a special purpose tax levying revitalization district as provided in Section 48-6807 of the Arizona Revised Statutes, and is considered to be a municipal corporation and political subdivision of the State of Arizona, separate and apart from the City; and

WHEREAS, a tentative budget must be adopted by the District.

NOW, THEREFORE, BE IT RESOLVED BY THE DISTRICT BOARD OF THE FLAGSTAFF DOWNTOWN BUSINESS IMPROVEMENT AND REVITALIZATION DISTRICT OF FLAGSTAFF, ARIZONA as follows:

SECTION 1. That the accompanying statements and exhibits attached to this Resolution as Schedules A, B, C, D, E, F, and G are incorporated herein by this reference, and are hereby adopted as the tentative budget for the Flagstaff Downtown Business Improvement and Revitalization District for the fiscal year 2015-2016.

SECTION 2. That the District Clerk be, and she hereby is, authorized and directed to publish in the manner prescribed by law the estimates of expenditures as set forth in Schedules A, B, C, D, E, F, and G together with a notice that the District will meet on May 26, 2015, for the purpose of a final hearing of taxpayers and for the adoption of the 2015-2016 Annual Budget for the Flagstaff Downtown Business Improvement and Revitalization District.

PASSED by the District Board of the Flagstaff Downtown Business Improvement and Revitalization District this 12th day of May, 2015.

Chairman

ATTEST:

District Clerk

APPROVED AS TO FORM:

Kjellgren & Speed, PLC

Attorney for the District

ATTACHMENTS:

SCHEDULE A
SCHEDULE B
SCHEDULE C
SCHEDULE D
SCHEDULE E
SCHEDULE F
SCHEDULE G

OFFICIAL BUDGET FORMS

Flagstaff Downtown Business Improvement and Revitalization District

Fiscal Year 2016

Flagstaff Downtown Business Improvement and Revitalization District

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Fiscal Year 2016

Resolution for the Adoption of the Budget

Schedule A—Summary Schedule of Estimated Revenues and Expenditures/Expenses

Schedule B—Tax Levy and Tax Rate Information

Schedule C—Revenues Other Than Property Taxes

Schedule D—Other Financing Sources/<Uses> and Interfund Transfers

Schedule E—Expenditures/Expenses by Fund

Schedule F—Expenditures/Expenses by Department (as applicable)

Schedule G—Full-Time Employees and Personnel Compensation

**Flagstaff Downtown Business Improvement and Revitalization District
Summary Schedule of Estimated Revenues and Expenditures/Expenses
Fiscal Year 2016**

THE FINAL OPPORTUNITY FOR PUBLIC INPUT ON THE FLAGSTAFF DOWNTOWN BUSINESS IMPROVEMENT AND REVITALIZATION DISTRICT BUDGET WILL OCCUR ON MAY 26, 2015 AT 10:00 A.M. IN THE CITY OF FLAGSTAFF CITY HALL, STAFF CONFERENCE ROOM, 211 W. ASPEN AVENUE, FLAGSTAFF, AZ

The budget may be reviewed at the City of Flagstaff in the City Clerk's Office, 211 W. Aspen Avenue, Flagstaff AZ 86001
or at the website: <http://downtownflagstaff.org>

Fiscal Year	S c h	FUNDS								
		General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Permanent Fund	Enterprise Funds Available	Internal Service Funds	Total All Funds	
2015	Adopted/Adjusted Budgeted Expenditures/Expenses*	E	0	257,700	0	0	0	0	0	257,700
2015	Actual Expenditures/Expenses**	E	0	184,260	0	0	0	0	0	184,260
2016	Fund Balance/Net Position at July 1***			112,163						112,163
2016	Primary Property Tax Levy	B	0							0
2016	Secondary Property Tax Levy	B		127,498						127,498
2016	Estimated Revenues Other than Property Taxes	C	0	141,261	0	0	0	0	0	141,261
2016	Other Financing Sources	D	0	0	0	0	0	0	0	0
2016	Other Financing (Uses)	D	0	0	0	0	0	0	0	0
2016	Interfund Transfers In	D	0	0	0	0	0	0	0	0
2016	Interfund Transfers (Out)	D	0	0	0	0	0	0	0	0
2016	Reduction for Amounts Not Available:									
LESS:	Amounts for Future Debt Retirement:									0
										0
										0
2016	Total Financial Resources Available		0	380,922	0	0	0	0	0	380,922
2016	Budgeted Expenditures/Expenses	E	0	302,850	0	0	0	0	0	302,850

EXPENDITURE LIMITATION COMPARISON

1. Budgeted expenditures/expenses
2. Add/subtract: estimated net reconciling items
3. Budgeted expenditures/expenses adjusted for reconciling items
4. Less: estimated exclusions
5. Amount subject to the expenditure limitation
6. EEC expenditure limitation

	2015	2016
1.	\$ 257,700	\$ 302,850
2.		
3.	257,700	302,850
4.		
5.	\$ 257,700	\$ 302,850
6.	\$	\$

The city/town does not levy property taxes and does not have special assessment districts for which property taxes are levied. Therefore, Schedule B has been omitted.

* Includes Expenditure/Expense Adjustments Approved in the current year from Schedule E.

** Includes actual amounts as of the date the proposed budget was prepared, adjusted for estimated activity for the remainder of the fiscal year.

*** Amounts on this line represent Fund Balance/Net Position amounts except for amounts not in spendable form (e.g., prepaids and inventories) or legally or contractually required to be maintained intact (e.g., principal of a permanent fund).

**Flagstaff Downtown Business Improvement and Revitalization District
Tax Levy and Tax Rate Information
Fiscal Year 2016**

	2015	2016
1. Maximum allowable primary property tax levy. A.R.S. §42-17051(A)	\$ _____	\$ _____
2. Amount received from primary property taxation in the current year in excess of the sum of that year's maximum allowable primary property tax levy. A.R.S. §42-17102(A)(18)	\$ _____	
3. Property tax levy amounts		
A. Primary property taxes	\$ _____	\$ _____
B. Secondary property taxes	127,498	127,498
C. Total property tax levy amounts	\$ <u>127,498</u>	\$ <u>127,498</u>
4. Property taxes collected*		
A. Primary property taxes		
(1) Current year's levy	\$ _____	
(2) Prior years' levies	\$ _____	
(3) Total primary property taxes	\$ _____	
B. Secondary property taxes		
(1) Current year's levy	\$ 127,498	
(2) Prior years' levies	\$ _____	
(3) Total secondary property taxes	\$ <u>127,498</u>	
C. Total property taxes collected	\$ <u>127,498</u>	
5. Property tax rates		
A. District tax rate		
(1) Primary property tax rate	_____	_____
(2) Secondary property tax rate	1.7905	1.7896
(3) Total District tax rate	<u>1.7905</u>	<u>1.7896</u>
B. Special assessment district tax rates		
Secondary property tax rates - As of the date the proposed budget was prepared, the city/town was operating _____ special assessment districts for which secondary property taxes are levied. For information pertaining to these special assessment districts and their tax rates, please contact the city/town.		

* Includes actual property taxes collected as of the date the proposed budget was prepared, plus estimated property tax collections for the remainder of the fiscal year.

**Flagstaff Downtown Business Improvement and Revitalization District
Revenues Other Than Property Taxes
Fiscal Year 2016**

SOURCE OF REVENUES	ESTIMATED REVENUES 2015	ACTUAL REVENUES* 2015	ESTIMATED REVENUES 2016
SPECIAL REVENUE FUNDS			
Intergovernmental			
Payment in Lieu of Taxes	\$ 41,002	\$ 41,261	\$ 41,261
Municipal contribution	127,000	127,000	100,000
Interest Income		664	
	\$ 168,002	\$ 168,925	\$ 141,261
Total Special Revenue Funds	\$ 168,002	\$ 168,925	\$ 141,261
TOTAL ALL FUNDS	\$ 168,002	\$ 168,925	\$ 141,261

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

**Flagstaff Downtown Business Improvement and Revitalization District
Other Financing Sources/<Uses> and Interfund Transfers
Fiscal Year 2016**

FUND	OTHER FINANCING 2016		INTERFUND TRANSFERS 2016	
	SOURCES	<USES>	IN	<OUT>
SPECIAL REVENUE FUNDS				
None	\$ _____	\$ _____	\$ _____	\$ _____
_____	_____	_____	_____	_____
Total Special Revenue Funds	\$ _____	\$ _____	\$ _____	\$ _____
TOTAL ALL FUNDS	\$ _____	\$ _____	\$ _____	\$ _____

**Flagstaff Downtown Business Improvement and Revitalization District
Expenditures/Expenses by Fund
Fiscal Year 2016**

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2015	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2015	ACTUAL EXPENDITURES/ EXPENSES* 2015	BUDGETED EXPENDITURES/ EXPENSES 2016
SPECIAL REVENUE FUNDS				
Revitalization District	\$ 257,700	\$	\$ 184,260	\$ 302,850
Total Special Revenue Funds	\$ 257,700	\$	\$ 184,260	\$ 302,850

* Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.

**Flagstaff Downtown Business Improvement and Revitalization District
Expenditures/Expenses by Department
Fiscal Year 2016**

DEPARTMENT/FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2015	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2015	ACTUAL EXPENDITURES/ EXPENSES* 2015	BUDGETED EXPENDITURES/ EXPENSES 2016
<u>Revitalization District</u>				
<u>Special Revenue Funds</u>	\$ <u>257,700</u>	\$ <u></u>	\$ <u>184,260</u>	\$ <u>302,850</u>
Department Total	\$ <u>257,700</u>	\$ <u></u>	\$ <u>184,260</u>	\$ <u>302,850</u>

* Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.

**Flagstaff Downtown Business Improvement and Revitalization District
Full-Time Employees and Personnel Compensation
Fiscal Year 2016**

FUND	Full-Time Equivalent (FTE) 2016	Employee Salaries and Hourly Costs 2016	Retirement Costs 2016	Healthcare Costs 2016	Other Benefit Costs 2016	Total Estimated Personnel Compensation 2016
SPECIAL REVENUE FUNDS						
Downtown Revitalization	None	\$	\$	\$	\$	\$
Total Special Revenue Funds		\$	\$	\$	\$	\$
TOTAL ALL FUNDS		\$	\$	\$	\$	\$